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Businessmen Wary of Move To Accelerate AFTA

BK1108065795 Bangkok THE NATION in English 11 Aug 95 p A8

[Report by Cristina Pastor from Manila]

[FBIS Transcribed Text] ASEAN businessmen, meeting quietly in Manila last week, were jolted when Brunei suggested a plan to turn the region into a free trade zone by the year 2000, or three years ahead of schedule.

Narongchai Akkharasani, head of the Thai delegation to the meeting of the ASEAN Chambers of Commerce and Industry, said the proposal to speed up implementation of the ASEAN Free Trade area (AFTA) may be difficult for nations like Indonesia.

"The slow one is Indonesia," he said. "Some of their industries are not so competitive."

AFTA has run into problems concerning a proposal to include unprocessed agricultural products like rice and the services sector in the tariff-cutting scheme. At the core of the disagreement among the six-member states of Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand is which products are to be submitted for tariff reductions and which are to be excluded or kept on a so-called "sensitive list."

Except for Singapore which has no commodities sector to speak of, each of the five member countries have submitted their own list of 282 "sensitive" products proposed to be excluded from the across-the-board tariff reductions. Malaysia is said to have the longest list with more than a hundred products, and Indonesia with 27 items.

Narongchai said Thailand appeared to be the only country, apart from Brunei, that has expressed agreement to the proposal to accelerate the AFTA timetable.

"The proposal which is going to be discussed at the ASEAN Leaders Summit has our support," he said.

In the ASEAN economic ministers' retreat in Phuket last May, Bangkok had proposed removing rice from the sensitive list, an indication of its readiness to compete with foreign imports. Thailand is the world's biggest rice exporter followed only by the U.S. and Vietnam.

Jose Concepcion, former Philippine trade secretary, said "some countries may be ready, some countries may not (be ready for the AFTA acceleration)."

He said the fierce trade regime's time frame had already been pushed ahead by five years in the ASEAN economic ministerial meeting in Chiang Mai last year. Accelerating it again may invite howls of protest from other ASEAN nations, he added.

AFTA, which is envisioned to become a market of 400 million consumers with lots of disposable income, will lead to gradual phase out of tariffs down to five per cent at most by the year 2003.

Fifteen manufacturing and industrial items had been singled out for the fast-track reduction between the years 1998 and 2000. They are electronics, vegetable oils, chemicals, fertilizers, rubber products, pulp and paper, wooden and rattan furniture, gems and jewellery, pharmaceuticals, plastics, leather products, textiles, ceramics and glass products, and copper cathodes.

Philippine Trade and Industry Secretary Rizalino Navarro gave no indication how his government viewed the Brunei initiative. But he quoted a statement of support coming from Thai Foreign Minister Kasemsamoson Kasemsi who said, "Deep cuts under AFTA and an accelerated implementation by the year 2000 would keep us abreast and in the forefront of global challenge."

Navarro noted increasing intra-ASEAN trade from $72 billion in 1992 to $117.6 billion in 1994, or a growth of 37.9 per cent.

He said the implementation of AFTA's tariff-reduction scheme, via the common effective preferential tariff system, will further "boost" intra-regional trade.

"Our aspiration to achieve an ASEAN Free Trade area is fast gaining ground... During the annual ASEAN foreign ministers meeting held in Brunei, there was a clamour to a accelerate AFTA even further (in) a proposal made by Sultan Hassanal Bolkiah to shorten the deadline for cutting down tariffs to the year 2000 instead of 2003," he said.

Laos on Opening Borders for Key Mekong Projects

BK1408090595 Bangkok BANGKOK POST in English 14 Aug 95 p 1

[Report by Nutsara Thaithawat and Nutsara Sawatsawang]

[FBIS Transcribed Text] Laos, in a major breakthrough, has agreed to consider opening its borders to ensure the six-nation Greater Mekong Subregional Economic Cooperation scheme can proceed.

It has joined the other subregional countries in agreeing in principle to harmonise customs and immigration procedures to help trade and travel.

They want these changes in place before key infrastructure projects begin.

Laotian agreement is essential for priority schemes to proceed.

These are the Bangkok-Phnom Penh-Ho Chi Minh City-Vung Tau road, of which construction is expected to begin in 1997; the East-West Corridor (northeastern Thailand-central Laos-central Vietnam); and a ringroad between northern Thailand and southern China through Laos and Burma.

Laos, strategically positioned among Burma, Cambodia, China, Thailand and Vietnam, has previously taken a reserved position, fearing it would become a mere transit point.

But it showed what observers called "flexibility and cooperation" at a recent expert meeting in Phnom Penh on transport in the subregion.

"It's a major step toward complete opening of horders," said Gunter Hecker of the Asian Development Bank's Transport and Communications Division.

"It was a happy surprise, the first time the six countries said they are prepared to open their borders. In the past they were just happy to have projects.

"Laos is the key; it's right at the centre. It made special mention that it is prepared to look into its laws," he said during the second meeting of the Subregional Transport Forum on August 9-10 in Phnom Penh.

Noritada Morita, the ADB Programme Department (West) director, said the meeting was intended to review the status of transport projects which the six countries had agreed to implement and to agree on steps toward regulations to ensure free movement of goods and people across their borders.

Conditions for the Bangkok-Phnom Penh-Ho Chi Minh City-Vung Tau road would be presented to the ADB directors in two months, Morita said. Financing had been secured and the Japan International Cooperation Agency (JICA) was finalising its design.

Morita said the six countries had agreed to analyse international conventions on traffic and their own laws to see how they could be adapted. Areas of interest are licensing of drivers, traffic rules and signs bills of lading and insurance.

The ADB, the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and the European Union will help the six countries.

Workshops will be held in each country for all state agencies involved, including the ministries of Trade, Justice, Transport and Foreign Affairs.

The Thai delegation offered its facilities at the Highways Department's Training Centre, as well as the Civil Aviation Training Centre of Thailand.

Funds for the training could come from Thailand's Department of Technical and Economic Cooperation.

Morita hopes the Bangkok-Phnom Penh-Ho Chi Minh-Vung Tao road will serve as a pilot project for the regulations, with construction expected to begin in 1997.

He brushed aside concerns that a well-developed road network in the subregion would promote smuggling.

"There's smuggling because there are no regulations, people have to wait a long time at border checkpoints. With open borders, there won't be any need for smuggling," he said.

At the Phnom Penh meeting, Cambodia, Laos and Vietnam stressed the importance of "feeder roads" from the major subregional roads, to stimulate the economy in remote areas of their countries.

Cambodia also proposed a new project from Trat in Thailand to Ko Kong in Cambodia and Kampot and Ha Tien in Vietnam.

Japan

Clinton's Nuclear Test Ban Proposal Welcomed

*OW1208032595 Tokyo KYODO in English
0317 GMT 12 Aug 95*

[FBIS Transcribed Text] Tokyo, Aug. 12 KYODO — The Foreign Ministry on Saturday [12 August] welcomed a statement by U.S. President Bill Clinton that he supports a global ban on nuclear testing.

A statement issued by the ministry's press secretary said Clinton's stand is in accord with Japan's as Tokyo has been seeking a ban on all nuclear weapons development.

The statement said Clinton's decision will play a big role in achieving an agreement in negotiations on a comprehensive test ban treaty.

The Japanese Government will also work for an early agreement on the treaty, the statement said.

In Washington on Friday, Clinton said the United States will insist on a test ban that prohibits any nuclear weapons test explosion or any other nuclear explosion, including small-scale experiments.

Nagasaki Lauds Test Ban Support

*OW1208081195 Tokyo KYODO in English
0642 GMT 12 Aug 95*

[FBIS Transcribed Text] Nagasaki, Aug. 12 KYODO — Nagasaki Mayor Itcho Ito on Saturday [12 August] lauded U.S. President Bill Clinton's decision to implement policy for a total ban on nuclear testing.

Ito, who as mayor of one of the only two cities to have ever been attacked by an atomic bomb, said in a statement that he held Clinton in high esteem for his decision. An atomic bomb was dropped on Nagasaki on Aug. 9, 1945, three days after the Hiroshima bombing.

The mayor's statement urged France to give up its plan to restart nuclear tests in the South Pacific in September amid the growing global support to a test ban.

Ito's statement followed a similar statement by the Foreign Ministry welcoming Clinton's decision, which it said will play a big role in achieving an agreement in negotiations on a comprehensive test ban treaty.

In Washington Friday, Clinton said the U.S. will insist on a test ban that prohibits any nuclear weapons test explosions or any other nuclear explosions, including small-scale experiments.

Official Views Status of Car Accord With U.S.

*OW1408062695 Tokyo KYODO in English
0617 GMT 14 Aug 95*

[FBIS Transcribed Text] Tokyo, Aug. 14 KYODO — The Japan-U.S. auto accord should be ready to sign next week, a month and a half after both sides first clinched the deal, a top Japanese trade official said Monday [14 August].

Details of the June 28 accord, which averted U.S. trade sanctions and a bilateral trade war, have essentially been wrapped up, said Katsuhiro Nakagawa, director general of the minister's Secretariat at the Ministry of International Trade and Industry (MITI).

The finer points must be confirmed by the concerned ministries, and the deal will likely be sealed by an exchange of letters, said Nakagawa, filling in for the vacationing MITI Vice Minister Tomio Tsutsumi at a regular news conference.

He was commenting after a newspaper reported over the weekend that the document has been completed, with the United States relinquishing its demand to specify the local content ratios of Japanese brand cars made in America but winning the use of "localization" as a gauge to measure the deal's success.

Nakagawa said Japanese industry, especially small and midsize firms must be "relieved" that the yen has fallen to 94 to the dollar but that further close watch of currency movements is needed.

He rejected talk that MITI Minister Ryutaro Hashimoto will meet Malaysian Prime Minister Mahathir Mohamed during a trip later this month to Australia, saying that no meeting is planned at the moment.

Hashimoto, who visited Indonesia and the Philippines earlier this month, may visit other members of the Asia-Pacific Economic Cooperation (APEC) forum later to brief them on Japan's preparations for this year's APEC summit, to be held in Osaka in November, Nakagawa said.

Fuji Criticizes Legal Grounds of Kodak Claim

*OW1108130595 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 11 Aug 95 Morning Edition p 13*

[FBIS Translated Text] The Office of the U.S. Trade Representative (USTR) has launched an investigation based on Section 301 of the U.S. Trade Act of 1974 in response to an Eastman Kodak Company petition. Following this, on 10 August Fuji Photo Film Company made public its "letter of declaration," which asserts that "Kodak's claim completely lacks legal grounds." Fuji had already submitted the letter to the USTR on

8 August. Touching on the fact that the U.S. Court of Appeals ruled on 4 August that "it supports the termination of an antitrust consent order placed against Kodak," Fuji said that "Kodak is using a double standard in the lawsuit to remove government regulations and the Section 301 claim."

Fuji's letter of declaration says that in the suit seeking removal of the regulations, Kodak indicated it has a 41 percent "global share" of the photographic film market, and asserted that it does not monopolize the market. However, at the same time, in the Section 301 claim, Kodak used a table of "market share in individual countries," and accused Fuji of having a high share of 70 percent in the Japanese market. Fuji Photo Film Public Relations Division criticized Kodak, saying, "It uses a double standard which is inconsistent from a legal viewpoint." Kodak was pleased that it had won the suit to remove the regulations, and said, "The court acknowledged that we have not monopolized the U.S. market."

PHS Parts Procurement 'Row' With U.S. Viewed

OW1208005095 Tokyo KYODO in English 0004 GMT 12 Aug 95

['News Focus' by Mutsuo Fukushima: "Japan-U.S. Procurement Row Highlights Contradiction"]

[FBIS Transcribed Text] Tokyo, Aug. 12 KYODO — As Tokyo faces another row with Washington over procurement of personal handy-phone system (PHS) components, industry analysts and officials have spotted a contradiction between reality and official rhetoric.

Fifteen Japanese PHS makers who have formed an alliance with either of the two main PHS service providers — Nippon Telegraph and Telephone Corp. (NTT) and DDI Corp. — are quietly integrating U.S. high-tech parts into their handsets and radio wave relay stations.

This belies the official explanation given for keeping U.S. components at arm's length, the analysts say.

NTT President Masashi Kojima said last month NTT is reluctant to integrate foreign parts into its PHS system, refusing to treat PHS-related equipment as subject to obligations under a Japan-U.S. pact on procurement of foreign parts by NTT.

"The (nine) NTT Personal Communications Network companies are purely private firms in which various corporate shareholders have equity stakes in addition to NTT itself," he said, echoing the line of the Posts and Telecommunications Ministry.

"I cannot understand the foreign demand that we apply the pact on NTT's procurement of foreign equipment (to these firms)," he said.

The United States has repeatedly asked Japan to apply the accord to PHS-related parts and equipment.

PHS is a new mobile telephone service in which cordless digital phones with palm-sized handsets can be used to place calls at rates as low as one-fifth those of conventional mobile phone services.

A senior official of NTT Central Personal Communications Network Inc., an NTT-affiliated PHS arm, said on condition of anonymity, "ninety-nine percent of PHS makers are dependent on the supply of flash memory chips of Intel Corp." of the U.S.

"All five makers whom NTT has entrusted with producing our PHS handsets have integrated Intel's flash memory chips into their products," he told KYODO NEWS SERVICE.

The five — Hitachi Ltd., Sony Corp., Sharp Corp., NEC Corp. and Matsushita Communication Industrial Co. — supply NTT with PHS handsets under NTT's Paldio brand name.

A flash memory is a chip that can store generally several dozens of phone numbers and as many as 100, allowing the caller to dial by pressing only a few keys based on a coded abbreviated dialing mechanism.

The caller can permanently store many numbers and erase or rewrite the contents of the chip when desired.

An official of a leading electronics maker said, "Because more than 90 percent of Japanese PHS makers depend on Intel for the supply of flash memory, they are vying with one another in a battle to secure a greater number of the chips."

The NTT central personal official said, "Hitachi was forced to temporarily halt production of PHS handsets for NTT due to the difficulties in securing the Intel chip supply." The suspension occurred in early July.

An Intel spokesman said, "We are placing priority on makers who placed orders for flash memory chips in advance on expectations of strong demand for the PHS, while we cannot avoid delaying the supply to makers who have belatedly placed orders after seeing high demand arise."

DDI Tokyo Pocket Telephone Inc., a PHS subsidiary of DDI, said the superior ability of its "cell stations" — radio wave relay stations — stems from a radio wave receiving modem and computer software developed by Pacific Communication Sciences Inc. (PCSI) of

California. PCSI is an affiliate of Cirrus Logic Inc. of California.

Cell stations play a key role in holding down PHS rates, as they channel calls into the public telephone network, sparing carriers the huge cost of building nationwide telecom networks.

NTT says its cell stations can cover an area of 70 to 300 meters in radius, while DDI says its stations can cover 300 to 500 meters in radius. The disparity is forcing NTT to set up a significantly greater number of stations across Japan, industry sources say.

NTT says it plans to install 100,000 cell stations over the next five years, while DDI vows to set up 60,000 stations in the same period.

Junichi Takahashi, a DDI Tokyo Pocket spokesman, said, "The PCSI receiving modem and its controlling software enable an antenna of our cell station to pick up a weak radio wave transmitted from a PHS user from a distance of 500 meters," he said.

Nikko Research Center senior analyst Akiyoshi Hayakawa said, "DDI is now taking the lead over NTT in the number of subscribers and subscription applicants, chiefly because its service covers a wider area than that of NTT."

DDI covers Tokyo as well as its outlying areas such as Yokohama and Saitama Prefecture, home to many commuting students and workers, while NTT reaches only into outlying areas such as Chiba Prefecture, he said.

"To cover the same size of an area with its PHS service, NTT has to invest 20 percent more than DDI," Hayakawa said.

"DDI could shave its investment cost, as it is using less expensive, excellent technologies that they procure from foreign suppliers, while NTT basically depends on technologies of its own and from domestic makers only," he said.

DDI chief spokesman Kiyoshi Yatani said DDI has integrated the technologies of more than 20 foreign and Japanese companies into its PHS system.

NTT says 40,000 subscribers are already using NTT's PHS handsets, with service having started July 1, and 5,000 applicants are waiting.

DDI says the same number of subscribers is using its PHS. In addition, DDI says, it has received subscription applications from "more than 100,000 people" who have already been issued registered phone numbers but who have not yet purchased PHS handsets.

The industry sources attributed this delay partly to difficulties in securing Intel flash chips faced by the 10 suppliers of DDI specifications-based PHS.

NTT's Kojima said, "As our cell stations continue increasing in number and the area our PHS service covers widens, there will be even greater demand for our service, once word gets around that it has enabled such-and-such a user to reach this or that location.

"The outcome of our competition (with DDI) will depend on the outcome of our competition to install cell stations" as speedily as possible throughout the nation, he said.

Murayama on Government's Understanding of WWII

OW1108133795 Tokyo NIHON KEIZAI SHIMBUN in Japanese 10 Aug Evening Edition p 2

[FBIS Translated Text] Commenting on the fact that the ROK and other countries have strongly refuted the remarks by Education Minister Yoshinobu Shimamura, Prime Minister Tomiichi Murayama stated on the morning of 10 August that "no changes at all will be made to cabinet policy." In this way, he stressed his idea of adhering to the government's understanding of the history that "aggressive acts did exist" [in World War II]. So far, the prime minister has repeatedly made the same remark in his policy speech and on other occasions. This comment was made in his answer to a question asked by the press corps at the Prime Minister's Official Residence.

Draft of Murayama War Anniversary Speech Viewed

OW1108151895 Tokyo KYODO in English 1502 GMT 11 Aug 95

[FBIS Transcribed Text] Tokyo, Aug. 11 KYODO — Prime Minister Tomiichi Murayama will express "acute remorse" for the great damage and pain inflicted on Asian people by Japan through its colonial rule and war-time aggression in a statement marking the 50th anniversary of the end of World War II, a draft of which was obtained by KYODO NEWS SERVICE on Friday [11 August].

Murayama will make the statement at a press conference Aug. 15, the day when Japan surrendered to the allied powers half a century ago.

According to the draft, Murayama will reveal his historical recognition that Japan, through mistaken national policy, brought enormous damage and pain to other Asian peoples.

In the draft, Murayama says that, humbly accepting incontrovertible historical facts, he expresses acute remorse and heart-felt apology.

Declaring that he will abjure self-righteous nationalism due to lessons learned from the past, Murayama will stress that the path Japan should take is that of international cooperation and preservation of democracy.

Because the Diet resolution adopted in June to mark the 50th anniversary of the war's end failed to clearly mention Japan's war-time aggression, Murayama wants to express his basic stand on the sensitive issue, sources close to the premier said.

Murayama also regards the statement as having important political value out of concern that differences over historical viewpoint between his Social Democratic Party and its coalition partner Liberal Democratic Party have made the coalition framework unstable, the sources said.

As the mission Japan should shoulder, Murayama says in the statement that Japan, as the world's sole atom-bombed country, should aim at the ultimate abolition of nuclear weapons and promote international disarmament by such means as reinforcing the system of nuclear nonproliferation.

As for future relations between Japan and other Asian nations, Murayama emphasizes the necessity to build relations based on deep understanding and trust.

Murayama also notes that Japan is starting a 10-year-long scheme for peaceful friendship exchange centered on support for studies of modern history in Asia as well as the expansion of personnel exchanges with other Asian nations.

Shimamura's Remarks Criticized at WWII Forum

OW1308053495 Tokyo KYODO in English
0526 GMT 13 Aug 95

[FBIS Transcribed Text] Tokyo, Aug. 13 KYODO — Education Minister Yoshinobu Shimamura's remarks about Japan's actions during World War II were criticized Sunday [13 August] at a forum in Tokyo discussing how Japan should make compensation for its wartime crimes.

Lawyer Kenichi Takagi, who represents the organizers of the International Forum '95, said Shimamura's remarks showed a lack of basic understanding of history.

At a press conference last Wednesday, Shimamura said whether Japan invaded other countries or not during the war "is a question of how you think about it," drawing anger from several Asian countries. He apologized for the remarks and withdrew them Friday.

Takagi also told the forum, "Both the (U.S.) atomic bombings and Japan's invasions were war crimes violating international law, and the assailant countries should atone for the crimes."

The two-day forum which opened Sunday invited 35 war victims from about a dozen countries who suffered at the hands of the Japanese Army during the war, including a woman from Indonesia who was forced into sexual slavery for Japanese soldiers.

Murayama Denies 'Letter of Apology' to Major

OW1208114295 Tokyo KYODO in English
1053 GMT 12 Aug 95

[FBIS Transcribed Text] Nasu, Japan, Aug. 12 KYODO — Prime Minister Tomiichi Murayama on Saturday [12 August] confirmed having sent a letter to British Prime Minister John Major but denied it was to make an apology for wartime Japanese treatment of prisoners of war (POW's) during World War II.

"It was not a letter of apology," Murayama told reporters as he was taking a summer vacation in this hot spring resort in Tochigi Prefecture north of Tokyo.

Murayama acknowledged that the letter expresses profound remorse over the wartime Japanese treatment of British and other Allied POW's and added that he also intended to express regret at the wartime Japanese treatment of such POW's.

However, Murayama said, "The letter was designed mainly to congratulate the reelection of Mr. Major as chief of the Conservative Party. The content of the letter was the same as what I have told him through diplomatic channels," Murayama said.

Murayama made the comments after a spokeswoman for Major said Friday that the British leader received a letter from Murayama expressing "profound remorse" over Japanese ill-treatment of British and Allied POW's during the war.

The spokeswoman said the letter was the first written acknowledgement of Japan's ill-treatment of such POW's.

Murayama Expressed 'Remorse' to British POW's

OW1408104095 Tokyo KYODO in English
1027 GMT 14 Aug 95

[FBIS Transcribed Text] Tokyo, Aug. 14 KYODO — Prime Minister Tomiichi Murayama expressed "profound remorse" for the treatment of former British Prisoners of War (POWs) and offered an outright apology to them in a letter to British Prime Minister John Major, a government spokesman said Monday [14 August].

In an apparent bid to calm the anger of ex-British POWs over Murayama saying he did not send a letter of apology, Chief Cabinet Secretary Koken Nosaka said at a news conference that the premier did apologize over the Japanese Imperial Army's treatment of POWs.

"The prime minister sent a letter of congratulations when Prime Minister Major was reelected as chief of the Conservative Party," Nosaka said.

"In the letter of congratulations, he expressed profound remorse and apologized for our nation's past actions that left many people, including the POWs, with deep scars," he said.

On Murayama's Saturday remarks to the effect that the letter "was not a letter of apology," Nosaka said he believes the premier expressed repentance and made an apology in a clear-cut fashion over the nation's ill-treatment of the British POWs during the war.

Murayama's remark sparked harsh reaction from the former British POWs.

DA Chief Interviewed on FY96 Budget Requests

OW1108143995 Tokyo SANKEI SHIMBUN in Japanese 10 Aug 95 Morning Edition p 2

[FBIS Translated Text] Seishiro Eto, director general of the Defense Agency [DA], in an interview on 9 August with SANKEI SHIMBUN and other news media, announced plans to include mass production of the next generation support fighter (FSX) in budget requests for fiscal year 1996 which will begin in late August. FSX planes are being developed by Japan and the United States, and test flights are scheduled for September. Mass production of these planes are to begin in fiscal 1996.

Regarding arguments among the Social Democratic Party of Japan and other parties to reconsider and scale down the planned mass production of the new planes, Eto stressed: "To this day, Japan and the United States have spent considerable time on (joint development of) the FSX." At the same time, the DA director general pointed out that neighboring countries are developing extremely advanced air power, arguing: "Our country must not lag behind by one or two generations."

Eto also criticized French and Chinese nuclear tests, saying: "These are extremely regrettable matters."

Comments on Buildup Plans, FSX

OW1308103195 Tokyo ASAHI SHIMBUN in Japanese 11 Aug 95 Morning Edition p 2

[Interview with Defense Agency Director General Seishiro Eto by unidentified ASAHI SHIMBUN reporter; place and date not given: "Murayama Reform Cabinet; Interviewing New Ministers"]

[FBIS Translated Text] [ASAHI SHIMBUN] What kind of instruction did Prime Minister Murayama give you?

[Eto] He told me to look at the major trends in the world regarding international politics and security matters while keeping the three-party agreement in mind.

[ASAHI SHIMBUN] The three-party agreement calls for arms reduction.

[Eto] After thoroughly analyzing world trends in security and defense capability, I would like to deal with the issue of arms reduction on the basis of the understanding that Japan needs to build up defense capability while maintaining a power balance with other countries.

[ASAHI SHIMBUN] What do you think of the idea of reviewing the "Defense Buildup Plan Outline"?

[Eto] I would like to study the issue while taking into consideration changes in the post-Cold War international situation, the movement among international society toward arms reduction and controlling military buildup, and Japan's financial situation. A government-level study has been under way at the National Security Council. I would like the Defense Agency to have thorough discussions on all necessary items.

[ASAHI SHIMBUN] Some people take a prudent view toward the introduction of the next general-support fighter (FSX). What is your policy on this issue?

[Eto] I would like to include spending on the introduction of the FSX in a rough estimate that we will demand in the fiscal 1996 budget. Japan and the United States have spent many hours on FSX development and Japan's attitude toward the project is unstable and unclear. Our neighboring countries are building up extremely high-level air defense capability. We cannot just let Japan's air defense capability fall behind that of other countries by a generation or two.

[ASAHI SHIMBUN] What do you think of the Chinese and French decisions to resume nuclear tests?

[Eto] I think they should stop conducting nuclear tests. As the only nation on which atomic bombs have been dropped, we very much regret that China and France have made these decisions.

[ASAHI SHIMBUN] What do you think of the DPRK (North Korea), China, and Russia?

[Eto] I would not suggest that North Korea and China are imaginary enemies of ours, but there is no doubt the two are taking a serious line toward military expansion. Unstable factors are growing in Russia too. I would like to build a foundation for improving our country's defense capability while making a comparison with the arms buildup plans of our neighboring countries.

Mass Production of FSX Fighters 'Necessary'

OW1308023395 Tokyo NIHON KEIZAI SHIMBUN in Japanese 10 August 95 Morning Edition p 1

[FBIS Translated Text] The Defense Agency [DA] has decided to mass-produce, for the next 10 years at least, 100 next-generation support fighters (FSX) to be deployed in the Air Self-Defense Force. Japan and the United States have been engaged in the joint development of the FSX. At the same time, the DA plans to sign a contract for procuring about 10 units in FY96 as the first quota for the mass production plan, and to include the necessary expenditures in the FY96 draft budget request, which will be compiled at the end of August. The price of a single FSX fighter is currently estimated at somewhere from 8 to 10 billion yen [Y]. Given the current tendency to cut the defense-related budget because of the end of the Cold War, it seems inevitable that, even within the ruling coalition, such parties as the Social Democratic Party of Japan will oppose the plan. The DA has thus started studying plans to reduce costs by such measures as a partial review of performance requirements.

The FSX fighter, produced on the model of the U.S. F-16 fighters, has been jointly developed by Japan and the United States since 1987 as the next generation of F-1 fighters to be used to attack foreign ground forces or warships trying to invade Japan. The first test fighter is now near completion and the first test flight is scheduled for this fall.

However, the international situation has changed. While the fighter was being developed, the Cold War ended and the Russian forces that used to be regarded by Japan as a potential threat have reduced their activities in the Far East.

Despite all these changes, the DA has decided to go forward with the FSX mass production plan for several reasons. If mass production should be suspended or delayed, development costs amounting to approximately Y327 billion would be wasted and it would be impossible to maintain engineers and production assembly lines connected with domestic fighter development. Moreover, the U.S. Government, as well as the U.S. defense industry engaged in the mass production of parts, are strongly demanding the start of mass production in FY96.

The DA is currently engaged in reviewing Japan's defense capability. According to this review, the DA plans to maintain the current status of three divisions of support fighters. FSX fighters will be introduced to these divisions. Furthermore, FSX fighters may be deployed to replace the existing T-2 supersonic advanced trainers. According to a DA senior official, it has thus been decided that "mass production of at least 100 FSX fighters, including combat-ready and reserve fighters, as well as trainers, has become necessary."

Regarding the cost, the focal point of mass production, the DA's current estimate is set at approximately Y10 billion per fighter. However, it is reported that, by increasing the number of fighters to be mass-produced, the cost can be reduced to about Y8 billion each.

Even then, the cost is more than five times that of the most-advanced F16 fighters, the model for the FSX fighters. And since the plan may become a political issue in the future, the DA is asking manufacturers to make efforts to cut down costs, and at the same time, it has started studying whether the cost can be cut even by a partial cut of the performance requirement.

DA Plans Cut in FSX Fighters Production

OW1408101095 Tokyo KYODO in English 0921 GMT 14 Aug 95

[FBIS Transcribed Text] Tokyo, Aug. 14 KYODO — The Defense Agency [DA] plans to curtail production of Japan's next support fighter, code-named the FSX, in line with overall defense spending cuts, agency sources said Monday [14 August].

The number of planned fighters, which Japan and the United States began developing in 1988 based on the American F-16 designed by General Dynamics Corp., will be shaved to 80 from an originally planned 120-130, the sources said.

The fighter will be the successor to Japan's own F-1 fighter currently used by the Air Self-Defense Force (ASDF).

The agency said it will seek 140 billion yen in its annual budgetary request for fiscal 1996, which starts April 1, for production of the new fighter jets.

Senior members of the Liberal Democratic Party (LDP), the dominant partner in the three-party coalition government headed by Prime Minister Tomiichi Murayama, have already agreed to the agency's plan, the sources said.

Murayama's Social Democratic Party (SDP), however, is expected to call for further cuts to the plan, which was set in the Cold War era. The SDP has long insisted on drastic cuts on spending for front-line equipment.

Given the SDP's desire to shrink the FSX project, the agency has been wooing the LDP's support for continuing mass production of the fighters, the sources said.

When defense ministers of Japan and the U.S. meet for bilateral talks in early September, Washington may ask Tokyo to make further efforts to stick to the original plan for producing more than 100 fighters.

The FSX fighter — 11 meters wide, 16 meters long and 5 meters in height — is equipped with new radar technology and high-strength carbon materials.

The first prototype of the FSX was unveiled in January, seven years after the two nations started their first such joint project. The maiden flight is scheduled for next month.

The two nations will produce a total of six prototypes and complete development of the FSX by the end of fiscal 1998.

Japan is responsible for 60 percent of the outlays for the project, while the U.S. must make up for the remaining 40 percent.

In early August, the ruling coalition, made up of the LDP, SDP and New Party Sakigake [Harbinger], agreed on a defense budget growth of up to 2.9 percent for fiscal 1996. This compares with 0.855 percent growth in the initial defense budget for the current fiscal year.

Based on the requests, the Finance Ministry is expected to work out a draft budget by the end of this year.

Takemura Interviewed on General Election Views

OW1108133995 Tokyo NIHON KEIZAI SHIMBUN in Japanese 10 Aug 95 Morning Edition p 2

[FBIS Translated Text] Finance Minister Masayoshi Takemura (head of Sakigake [Harbinger Party]) granted an interview to NIHON KEIZAI SHIMBUN on 9 August. Touching on the presidential election of the Liberal Democratic Party [LDP] in September, he said: "It will not affect the current framework of the coalition parties." He indicated that regardless of the result of the LDP presidential election, the current framework of the coalition government will be maintained as long as Prime Minister Tomiichi Murayama stays in his post.

He also said: "I think in any case the House of Representatives will be dissolved next year." He expressed his negative view on a general election following the dissolution of the Lower House being conducted within this year.

Moriyama Urged To Run for LDP Party President

OW1108134295 Tokyo YOMIURI SHIMBUN in Japanese 10 Aug 95 Morning Edition p 2

[FBIS Translated Text] Although it is most likely that Liberal Democratic Party [LDP] President Yohei Kono will run against Ryutaro Hashimoto, minister of international trade and industry, in the LDP presidential election in September, moves are gathering momentum among younger and middle-ranking LDP dietmen of the former Komoto faction to support Mayumi Moriyama, upper house dietwoman (who once served as chief cabinet secretary and who was a member of the former Komoto faction), as a candidate. This was disclosed by several senior LDP members on 9 August.

This plan is being led by Environment Agency Chief Tadamori Oshima and former Economic Planning Agency Chief Masahiko Komura. Moriyama is taking a cautious stand on accepting the proposal for now, saying "since I am busy preparing to become a lower house member, I have no plan to run in the presidential election." However, Oshima and others have been sounding out Moriyama to run in the presidential election, claiming that: "The party's presidential election should be contested by three candidates. An election contested by only two candidates will leave behind hard feelings, and there will not be vitality in the party after the election."

It is said that the former Komoto faction and other groups also asked Moriyama to run in the LDP presidential election two years ago, and Moriyama once expressed her positive stance on accepting the proposal.

It is also said that behind the call for Moriyama's candidacy is the former Komoto faction's desire to strengthen its unity. This group is being courted fervently both by the Kono group and the Hashimoto group.

Meanwhile, the former Obuchi faction, which is trying to push Hashimoto as a candidate, is nervous about such a move within the former Komoto faction.

If three candidates run in the presidential election and no one wins the majority in the first ballot, the candidates who rank first and second will go through a runoff ballot, in which only Diet members can participate. Some observers express the cynical view that "this may be the pro-Kono group's sophisticated strategy to bring about a runoff ballot."

Mitsuzuka on Party Management, LDP Election

OW1308172295 Tokyo NIHON KEIZAI SHIMBUN Japanese 10 Aug 95 Morning Edition p 2

[Interview with Hiroshi Mitsuzuka, secretary general of the Liberal Democratic Party [LDP], by unidentified NIHON KEIZAI SHIMBUN reporter on 9 August; place not given; first paragraph NIHON KEIZAI introduction]

[FBIS Translated Text] Hiroshi Mitsuzuka, LDP secretary general, discussed the basic policy regarding party management in an interview with NIHON KEIZAI SHIMBUN on 9 August. Regarding a draft second supplementary budget for fiscal 1995, he said that the three ruling parties will prepare the basic economic program as early as the beginning of September. The program will mainly seek to review the land tax system, increase corporate tax, and promote activation of the financial market. Concerning the LDP presidential election scheduled for September, he did not flatly deny the possibility of settling this question through consultations, saying, "We should use our wits, while listening to opinions from inside and outside the LDP."

[NIHON KEIZAI SHIMBUN] What is the centerpiece of the draft second supplementary budget for fiscal 1995?

[MITSUZUKA] We will emphasize tax and financial system reforms. In concrete terms, we have entered an era when land and corporate tax systems should be reviewed. Concerning the financial sector, efforts should first be made to activate the financial market, and to maintain its order by thoroughly clarifying the concept of information disclosure and the companies' self-liability principle. We should also deal with a question of whether or not to introduce public funds [to assist failed financial institutions].

We intend to build a consensus on the basic policy among the LDP, the Social Democratic Party of Japan, and Sakigake [Harbinger Party] to submit it to the government as early as September. We will announce the tax reform policy, not at year-end, as originally scheduled, but in September.

[NIHON KEIZAI SHIMBUN] Will members of the former Mitsuzuka faction uniformly support Mr. Yohei Kono in the September presidential election?

[MITSUZUKA] As I was appointed the secretary general, I will fairly manage the party affairs. At the same time, I would like to respect individual members' decision. However, policy groups' stands will be spontaneously formed.

[NIHON KEIZAI SHIMBUN] Do you want to settle this issue by negotiations?

[MITSUZUKA] At present, pending issues pile up at home and abroad. In view of this, it is important to form a system, in which LDP members can deal with the pending issues with unity. If several candidates run for president, the election should be carried out in accordance with LDP regulations. We should listen to opinions from inside and outside the LDP, while carefully watching the present situation.

[NIHON KEIZAI SHIMBUN] During the cabinet reshuffle, we had an impression that conflicts among former factions were revived. What do you think?

[MITSUZUKA] We can assume our responsibility for resolving this problem as members of a political party and the Diet. We do not worry about this so much.

[NIHON KEIZAI SHIMBUN] Did the LDP not obscure the issue of who should assume responsibility for the LDP's defeat in the recent House of Councillors election by changing its secretary general?

[MITSUZUKA] The LDP president, vice president, and former secretary general admitted that they had been responsible for the results of the election. We think that all of the LDP executive members should take the blame. It is important to find a way [to regain people's support] by honestly responding to opinions from the LDP prefectural and constituency branches.

Yokomichi, Yamagishi, Yano Discuss Local Party

952B0202A Tokyo SHUKAN ASAHI in Japanese 23 June 95 pp 22-27

[Article by Takeshi Soga, Keiko Hamada, SHUKAN ASAHI reporters]

[FBIS Translated Text] The voters are wondering which party to vote for in the upper house election. The politicians at Nagata-cho don't hear their sighs. They have been paralyzed by their own impotence and confusion. But there is one ray of light, a hope for the rebirth of Japanese politics, namely the "Local Party 11" concept. One of its proponents is Takahiro Yokomichi, former governor of Hokkaido. The concept is described in the following discussion, in which Junya Yano (former chairman of Komeito) and political mover and shaker Akira Yamagishi (former chairman of Rengo) also take part.

[Yamagishi] We're now seeing a new political trend, a sort of "third pole." The idea is to form regional parties, connect them via a nationwide network, and thus create a new political party. The new party would be quite appropriate for the twenty-first century, since it differs from our traditional top-down, centralized political parties.

Mr. Yokomichi, what are your plans? You are known as "the man who looks before he leaps," or even as "the man who won't leap even after he has looked." I'm counting on you, since you are a national symbol of leadership.

[Yokomichi] First of all, if two main political forces (the conservatives versus the liberals and social democrats) emerge as a result of electoral system reform (and I don't think that is a bad thing), what will we have? Ultimately, I think we will be left with two conservative parties, the LDP [Liberal Democratic Party] and the NFP [New Frontier Party]. The liberals and social democrats seem to be at the point of extinction.

I've been asked to participate in the SDPJ's [Social Democratic Party of Japan] discussions in preparation for the formation of a new party. But as things stand now, my impression is that even with a new party, there won't be any personnel or policy changes. There will just be a new name. I will be happy to advise them, but I can not imagine myself joining the party at this point. One possibility might be to form a new party composed of 20 or 30 members of the SDPJ. But remember that former SDPJ head Sadao Yamahana's Shinmin Rengo [New Democratic Federation] had problems because it didn't make a strong enough appeal to the public.

You have to reach out to the public and get a mass movement started. Fortunately, from having served as governor of Hokkaido, I know all the key people involved in grass-roots activities there. They've asked me to join in a campaign that will deviate from the traditional SDPJ image.

I intend to promote this cause (the formation of a Hokkaido local party) in conjunction with the July upper house election.

[Yano] But some members of the SDPJ want Prime Minister Tomiichi Murayama to resign when the time is right, and think LDP President Yohei Kono should be the next prime minister, and you, Mr. Yokomichi, the next head of the SDPJ. They're counting on you to be the trump card that will resurrect the party.

[Yamagishi] Don't do it! If the Committee for the Establishment of a New Party isn't going to do any more than give the party a new face, you shouldn't join. There's no point in boarding a ship that is bound to sink.

I want them to forget about the SDPJ and get busy preparing a new political force, one composed of liberal democrats, one that is free of the traditional party framework. If you take action, there are bound to be people who are sympathetic. Timing is important, though. You can't just sit around and wait.

[Yokomichi] That's right. I've started selecting organizers in Hokkaido, and I am planning to open up an office in Tokyo, and to start working in earnest. I apologize for being such a slow starter.

Supporting Role for the SDPJ

[Yamagishi] I am in complete agreement with the idea of establishing a Hokkaido local party. But make sure that your campaign does not have an inward focus.

The next general election will be held under the small electoral district system with proportional representation. You should choose a leader for each of the proportional representation district blocs. You should represent Hokkaido. The leaders should then unite and establish a new, liberal party network. You, Mr. Yokomichi, should take charge of the effort to recruit the other leaders.

Suppose the organizing committee consists of 10 people. You should make sure that the SDPJ is confined to a supporting role, two members at the most. Other possibilities are Masayoshi Takemura (minister of finance) from Shiga, Banri Kaieda (Diet representative) from Tokyo, Yukio Hatoyama (Diet representative) from Hokkaido, and Tetsundo Iwakuni (former mayor of Izumo) from Izumo. You need new faces.

[Yokomichi] I certainly don't intend to limit myself to people from Hokkaido. Twenty or 30 Diet representatives from the SDPJ will select core members in their home territories. We can then transform that into a national party. Once that's done, we might establish ties with Sakigake, and other parties.

I still feel some nostalgia for the SDPJ. If Wataru Kubo (SDPJ general secretary) asks me to be on the committee, I will have a hard time saying no. But Sakigake will not team up with the SDPJ if the latter remains in its present form. The problem is that Sakigake is a group of Diet representatives who don't have support bases in the outlying regions. The SDPJ does have representatives in those regions, as well as citizens' movements that are doing good work.

[Yano] If you can get your plan off the ground in Hokkaido, it will spread all over Japan.

[Yokomichi] We're in the process of setting up an organization in Tokyo to further our campaign. This month I'm going to Hokkaido (June 21) and Tokushima (June 23) with Messrs. Hatoyama and Kaieda. We'll be meeting with influential locals and holding discussions with them.

[Yamagishi] There's a group called "Tokyo Citizens 21" in Tokyo, run by Mr. Kaieda. The idea behind it is to set up core organizations in the outlying regions, which will in turn form a horizontal network, and then unite them. It would be nice if, before the next general elections, you could form a liberal alliance like the Northern Alliance formed in Italy when the Italian general elections were held two years ago.

Also, you'll need a "face" for each of the 11 blocs. Who comes to mind? You would be the one for Hokkaido.

[Yano] If you can find 11 "new faces" with leadership ability, the existing political parties are likely to collapse. How about asking Kazunobu Sagawa, former mayor of Mito City, to head the North Kanto bloc? He has a fine reputation.

[Yamagishi] Hajime Funada (Diet representative), an NFP member from Ibaraki, would be good, too.

[Yano] How about Naoto Kan (Diet representative) for Tokyo? Kenichi Omae, who ran for governor of Tokyo Prefecture, is another possibility. But there are two types of people, the type that makes waves, and the intellectual, adviser type.

[Yamagishi] The driving force in South Kanto will surely be the Kanagawa Network.

[Yano] I like the idea of Makiko Suehiro for Chubu [Niigata, Toyama, Ishikawa, Fukui, Yamanashi, Nagano, Gifu, Shizuoka, and Aichi prefectures]. She put up a good fight in Aichi in the upper house election. She is tough. Also, Tatsuo Kawabata (Diet representative) of the Kinki Liberals would be an interesting choice for Kinki [[Kyoto, Osaka, Shiga, Hyogo, Nara, Wakayama, and Mie prefectures].

[Yamagishi] No, I think it will have to be Takemura there. In Koshinetsu [Yamanashi, Nagano, and Niigata prefectures] you've got Tsutomu Hata (former prime minister) and Nobutaka Tsutsui (former Diet representative).

[Yano] There is a variety of interesting possibilities in Osaka. A lot of them are at Yoshimoto Kogyo Co.

[Yamagishi] In Kinki, you have Takako Doi, and also Yuichi Takami (Diet representative) of the SDPJ. He was very active in recovery efforts after the Kobe earthquake. For Chugoku [Okayama, Hiroshima, Yamaguchi, Shimane, and Tottori prefectures], I recommend Satsuki Eda (Diet representative), or Iwakuni. When the liberals band together, I'm hoping that Eda will leave the NFP, and join us, bringing along other kindred spirits. For Shikoku, I think the best choice is Yoshito Sengoku (former Diet representative) of the SDPJ.

[Yano] There is also Masanori Goto (former Diet representative), but he is deputy general secretary of the SDPJ, so I guess that's not a good idea. With Omae and Iwakuni, you don't have to worry about their having a local support base. You need people who are working in the central government, too. You should convince Morihiro Hosokawa (former prime minister) to head the Kyushu bloc.

Well, that's that. I had had hopes for the Murayama government, from the time it took office until the last half of 1994. Even though people called the coalition a common-law marriage, I thought Murayama had enough charisma to prevail. But now the LDP keeps Murayama out in the cold, and all the blood has been sucked out of the SDPJ. That's fine for the LDP, but the result is that the number of independents has soared, and that's why we witnessed the "Knock-Aoshima phenomenon" [Knock Yokoyama and Yukio Aoshima are former comedians now serving as governors of Osaka and Tokyo, respectively] in the combined local elections held in April. Normally, you would expect the independents to take refuge in the former coalition, but that's history now.

[Yokomichi] The SDPJ has made no effort to further the party's principles or ideals. It seems to have made a shift in the direction of reality. I think it's fine that the party recognized the SDF [Self-Defense Forces], but why didn't it press for a review of the defense budget and the disposition of troops?

The SDPJ has continually been criticized for being out of touch with reality. Now it is being criticized for having abandoned its ideals. The party has lost its entire support base. And last year, when General Secretary Kubo suggested that the SDPJ espouse liberal democracy, the party was so afraid that such a shift would topple the Murayama government that the issue has been shelved.

Local Parties Hope To Capture 50 Percent of the Independent Vote

[Yano] I heard that a huge number of blank ballots were cast in the Kanagawa gubernatorial election. The voters who submitted them are very much aware of the current political situation. In Tokyo and Osaka, they had an opportunity to show their dissatisfaction, but not in Kanagawa. It is a crime that no political organization has been set up to absorb these people.

Now the so-called independents represent as many as 50 percent of the voters. This is a terrible waste. If we can not provide them with some direction, and if we can not find a strong leader who will enter with them into the struggle, then we will not be able to unite them as a political force.

[Yokomichi] The Knock-Aoshima phenomenon is a nationwide one. Incumbents, in towns and villages, who were once considered invincible are getting trounced in elections. Candidates backed by local agricultural cooperatives, chambers of commerce, construction industry associations, and even local unions are being defeated by the likes of young chief clerks at town offices. Grassroots movements are supporting these chief clerks. Also supporting them are young chamber of commerce members and young town office employees, working together. It is hard to imagine these things happening within the context of Japan's traditional top-down mentality, of which "belonging" to a particular group and coming under its protection are such an important part.

Previously, in the outlying regions, athletic and welfare associations, every sort of association, acted as vote-collectors and fund raisers for the LDP. This support system began to collapse with the birth of the Hosokawa government. Now, young people in the regions are setting up networks intended to overcome the paternalistic system and knock down the existing walls. However, the established political parties are unable to respond to that new trend. It would not be a good idea for these young people with new ideas to establish a central organization in Tokyo, though. The networks are rooted in regional society, so their work has to begin outside of Tokyo.

[Yamagishi] No one anticipated the Knock-Aoshima phenomenon. I personally don't believe that the small electoral district system with proportional representation will work in favor of the LDP. Citizens' movements may actually prevail.

[Yano] The LDP determines proportional representation rankings on the basis of the amount of money a candidate has contributed to the party, and how many members he has signed up. These criteria have nothing to do with the voters. The NFP is composed of people who come from every party imaginable, and they can't decide on the rankings. In the next general election, at least seven or eight of Mr. Yokomichi's Hokkaido Party members stand a good chance of winning. Since there are 11 blocs nationwide, your campaign may gain impetus, if you make the right moves. If Mr. Yokomichi's local party election becomes a model, we will have an interesting situation.

[Yokomichi] Here is an example. The Tokyo Metropolitan Assembly is afraid to submit a no-confidence vote against Governor Aoshima. Do you know why? The reason is that if they prevail, and the assembly is dissolved, and an Aoshima Party or a Tokyo Residents' Party, or something like that is formed, their members will certainly be elected.

[Yamagishi] But party politics is now in crisis. Can Japanese politics choose the right path guided only by the independents? If they make mistakes, another force will emerge to take advantage of those mistakes, and fascism may rear its ugly head again. Political parties must sense this crisis, and make an attempt to rebuild Japanese party politics. I have no intention of insisting that Mr. Yokomichi bear the responsibility all by himself, but I am convinced that we need several symbolic leaders to take positive action and establish a new trend.

[Yano] Yes, but those leaders shouldn't be overly anxious to align themselves with this or that party. It would be fine if they would just form loose unions based on policy, like groups of liberals or of people who are in favor of human rights. They will all represent localities, so the leaders of the 11 areas can hold a sort of, well, summit.

Forming a "Third Pole" To Combat the Conservatives

[Yamagishi] At this rate, the SDPJ is going to suffer crushing defeats in the upper house election, and in the general election, too. The party is on its last legs. It is about to self-destruct. The LDP is currently in the midst of rehabilitating itself so that it can regain control of the government. The SDPJ is "assisting" the LDP's rehabilitation program. The LDP will use "Assistant" Murayama for its own purposes until the LDP presidential election in September. Then it will abandon him, and there will be a general election. That is how it is going to work.

The LDP-SDPJ-Sakigake government is like water and oil. No matter how vigorously you stir the mixture, it won't blend. The compromises its components make are totally superficial, and are made solely to keep the government alive. The SDPJ really should destroy this coalition government before the upper house elections. I realize that I'm asking too much, though.

[Yokomichi] The SDPJ must have had some sort of agenda when it agreed to participate in the Hosokawa coalition. Remember the issues that government raised? It advocated using administrative reform and deregulation to dismantle the "iron triangle." It proposed clarifying Japan's position on World War II, and examining the proper role of the SDF [Self-Defense Forces], now that the Cold War has ended. Knowing that the SDPJ supported the coalition's goals, I can not believe that the party would participate in an LDP-SDPJ government.

[Yano] The other day Tokai University Professor Kenzo Uchida came up with a really clever description of the SDPJ. He said, "No matter how hard you try, you can not make a sculpture from rotted wood." However, though it would be an uphill battle to accomplish anything under the aegis of the SDPJ, I am convinced that the spirit of the SDPJ is still alive throughout Japan. The SDPJ's Executive Committee is simply incapable of providing direction that would absorb that spirit.

Koken Nozaka, construction minister and an SDPJ member, really disappointed me when he decided to go ahead with the Nagara River Dam project. If Murayama had said no to the dam before Aoshima said no to the World City Expo Tokyo '96 [Sekai Toshihaku], the response from the public would have been tremendous. Perhaps he has no sense of direction. Perhaps his senses have atrophied.

I think Mr. Yokomichi would have been able to unite the old SDPJ forces and Rengo. It doesn't make any sense to view the two organizations as separate entities.

[Yamagishi] It is time for labor unions to stop supporting political parties. We are not going to see them cooperating with political parties in the way they used to do. I think they should give priority to policies, or support individual politicians whom they have judged worthy of such support.

[Yokomichi] If the dissolution of the SDPJ affects the LDP and the NFP, and if it prompts politicians who share the same views about history or about our nation to unite, in other words, if it causes a political reorganization, then I think that will be a good thing. But I am not terribly hopeful, since the SDPJ seems to have been drained of all its energy.

[Yano] The SDPJ still enjoys some respect. If, instead of suicide, it had opted to explode, its destructive power would have been significant. Rebirth is possible after death, but not after a half-death.

[Yokomichi] The Bible says, "a time to be born, and a time to die."

[Yano] They need to sense the crisis that is upon them, to realize that after Murayama, all the talk is going to be about conservative alliances. Some of the possibilities are a confederation of politicians who advocate constitutional revision, such as former Prime Minister Yasuhiro Nakasone; a reunion of the former Takeshita faction; and a union between Funada and the YKK team [Taku Yamasaki, Koichi Kato, and Junichiro Koizumi] from the LDP, prompted by the "new generation" concept. What they have in common is not wanting to lose control of the government. Nobody has the nerve to break up the LDP. The risk is too great. This drama concerns Nagata-cho and only Nagata-cho. The public will be out in the cold once again.

[Yokomichi] I think that everyone is worried about the trend toward two major parties, the LDP and the NFP. For instance, look at the Iwate gubernatorial election. The battle fought between the LDP and the NFP was horrible. Both sides behaved irrationally. Japan's business leaders say that they dread the thought of election battles like that being waged all over the country.

The voters must be aware of the need for a "third pole." And the point we have to remember in creating that "third pole" is that its success will hinge on public response.

Can Independents Prevail in the General Elections?

At a party held at a Tokyo hotel on June 16, Takahiro Yokomichi announced the release of his book, *The Third Pole*. Yokomichi also announced that he has formed a political party, the Dominto [Hokkaido People's Party], intended to unite constitutional protectionist liberals against the conservative forces.

According to one of Yokomichi's aides, the party will declare itself to be opposed to existing political parties, and to be antibureaucrat. In July, an attempt will be made to unite all of Yokomichi's support groups in Hokkaido, local branches of the SDPJ, local labor unions, citizens' movements, and other grass-roots groups, and to launch a regional network from the bottom up.

Campaigns like this one, which aim to form local parties and networks that link them loosely, and which ignore brain-dead Nagata-cho, are springing up all over Japan.

In Tokyo, there is the Tokyo Citizens' Group 21, formed in support of Tokyo Governor Yukio Aoshima. Some of its leading members are Banri Kaieda, a Diet member; Nachiko Aoki, a Tokyo metropolitan assemblywoman, and Hironori Sumizawa, assistant professor at Japan Women's University. A document written in May to support the group's formation reads, in part: "Tokyo Citizens' Group 21 intends to join with those local parties and political groups throughout Japan with which we share common principles and policies." The group is plotting a "Tokyo July Revolution." It hopes to trigger that revolution by engineering the dissolution of the Tokyo Metropolitan Assembly over the World City Expo Tokyo '96 issue, thus forcing a double (upper house and Tokyo Metropolitan Assembly) election.

In the Kinki region, there is an organization known as the Kinki Liberals. It came into being in February, and consists of Rengo and labor union members, and Diet members from the SDPJ and the former DSP [Democratic Socialist Party]. Tatsuo Kawabata, the group's acting secretary general and a Diet member (from the former DSP), has hopes for the group. "Party politics is in a state of chaos. Local parties that stand for consumers' rights and are conversant with local issues may be able to breathe some life back into politics."

Mr. Kawabata has a point. The SDPJ, once the champion of citizens' movements and labor, is now in league with the LDP. The labor unions have been in a state of paralysis since they bade a tearful farewell to former DSP members who have joined the SDPJ or the NFP.

According to Mr. Kawabata, "The LDP-SDPJ coalition government is preoccupied with its struggle to stay in power. The NFP has its hands full planning strategy for the general elections. Both parties are too absorbed in their problems to turn their attention to embracing the independents."

Actually, there is a precedent for a federation of local parties — a proposal made by Akira Yamagishi that appeared recently in a weekly magazine. The scenario dates back to 1993, when Yamagishi was chairman of Rengo. The idea was to unite all the liberal governors in Japan under Yamagishi. The resulting political force would then work toward forming a "reformist Rengo" government.

The proposal fizzled when the non-LDP Hosokawa government came into being. Hoewever, some of the members Yamagishi had in mind at the time, besides himself, are Morihiro Hosokawa (former governor of Kumamoto Prefecture), Masayoshi Takemura (former governor of Shiga Prefecture and currently finance minister), Morihiko Hiramatsu (governor of Oita Prefecture), Kazuji Nagasu (former governor of Kanagawa Prefecture), and Toshitami Kaihara (governor of Hyogo Prefecture). Yamagishi was also considering asking "party" men like Satsuki Eda (head of the NFP's Publicity and Planning Committee) and Sadao Yamahana (former SDPJ chairman) to participate.

Both Hosokawa and Takemura have mentioned to acquaintances and LDP Diet members that they have been approached with the idea of a federation of local parties.

If this phantom plan is resurrected, the names of Daijiro Hashimoto (governor of Kochi Prefecture) and Masayasu Kitagawa (governor of Mie Prefecture) are bound to come up.

The local party movement involves more than politicians and labor unions. Independent voters seek an organization that will speak for them, for their wants and needs. These voters have begun to infiltrate the political arena, and they may generate a major trend.

The Kanagawa Network Movement, headed by Kyoko Mataki, with a membership of 2,600, made a big splash in the April combined elections, seating four members in the prefectural assembly and 25 in city and town assemblies. This is an organization that started with co-ops run by housewives. It now has a regional network that covers 36 areas in the prefecture.

Another group, the Nomin Domei [Farmers' Alliance] (headed by Jugo Miyamoto, with a membership of 800), intends to make waves in the July upper house election. The group boasts 12 blocs nationwide, including Okinawa. It plans to back candidates not only for proportional representation seats, but in Tokyo and Osaka as well. Miyamoto says that the farmers are preparing to raid the cities.

In the 1989 upper house election, the tides turned against the LDP, because the party had rammed the consumption tax down the throats of the voters. The SDPJ and Rengo-affiliated candidates won landslide victories. In the 1993 general elections, the Japan New Party made huge leaps forward, and the LDP's long-term single-party control of the government ended. In the combined local elections held in April, 1995, the voters' anger at candidates' straddling political parties exploded, and independents won elections in Tokyo and Osaka.

The "backlash" votes cast by "floaters," or independents, both told the existing parties "no" in a way that they were able to understand, and created a new political situation. The same wind may very well blow in the direction of local parties next time.

Masaki Goto, deputy general secretary of the SDPJ, is responsible for coordinating the process by which the party hopes to rebuild itself as a liberal political force. Even Goto is forced to make the following concession: "I would like the leaders of Japan's local parties to participate in preparations for establishing a new, third-pole party after the SDPJ has been dismantled. If the local parties, broad-based citizens' movements, and the SDPJ can not manage to walk the same path, there will not be any future for the liberals."

Auto Parts Association Head Views Restructuring

OW1208062195 Tokyo KYODO in English
0405 GMT 12 Aug 95

[FBIS Transcribed Text] Tokyo, Aug. 12 KYODO — NHK Spring Co. is ready to take on new challenges based on its accumulated technologies, the chairman of the major spring maker says.

Shohei Hamada, who assumed his present post in June, said NHK Spring does not expect to make any great restructuring investment as it has almost finished reviewing its manufacturing bases and product line while capital spending has run its course.

Hamada said that although the Japan-U.S. auto trade agreement in June should be welcomed for forestalling Washington's imposition of sanctions on Japanese car imports, auto parts makers should map out measures to cope with the possible effects on the domestic car industry of the accord, which requires Japanese automakers to increase overseas production.

While major parts makers can deal with the hollowing-out of the domestic industry as well as the strong yen's effects by promoting the internationalization of operations, there are concerns about whether smaller manufacturers can overcome these difficult conditions, said the 66-year-old Hamada who also heads the Japan Auto Parts Industries Association.

NHK Spring is noted for its advanced technologies for the production of suspension and seat springs for cars. Recently, the company has made a successful advance in the market for precision springs for personal computers and other high-technology products.

The Yokohama-based company expects sales and profit gains in the current business year ending next March. But Hamada merely said that prospect was possible because its performances in the past had been "too bad."

As the hollowing-out of Japan's industrial base is feared to affect employment, Hamada said NHK Spring will strive to protect jobs by trying to enter new business areas and by restructuring.

Born in Kochi Prefecture in southwestern Japan, Hamada joined the company in 1948. He became president of the company in 1989 after serving as senior managing director and vice president.

Imports of Palladium 'Increasing Rapidly'

OW1008074195 Tokyo KYODO in English
0732 GMT 10 Aug 95

[FBIS Transcribed Text] Tokyo, Aug. 10 KYODO — Japanese imports of palladium, a material for electronics parts, is increasing rapidly, partly reflecting the boom in the Personal Handy-phone System (PHS), industry sources said Thursday.

They said imports of palladium this year are likely to surge 20 percent from the year before to about 100 tons.

Palladium is produced mainly in Russia and South Africa, while Japan is the world's main importer of it, taking nearly half of the annual supply of about 170 tons.

Ikuji Sonoda, president of nonferrous metals wholesaler Sumisho Gold Co., said demand in Japan for electronics parts will increase by about 24 percent to 54 tons this year. Brisk business in PHS is one of the factors for such strong demand, he said.

Reflecting the active demand, the palladium price in futures trading at the Tokyo commodity exchange for industry has stayed at high levels.

The price at present is about 450 to 460 yen per gram. The level is a little lower than its highest level of 506 yen seen in January due to the yen's appreciation against the dollar, but still relatively high, the exchange said.

An official at a major user of palladium said, however, he expects the price rise for palladium to be limited during the next several years.

Russia (for which palladium is a major source of earning foreign currencies) may step up palladium production to avoid its users substituting with other materials such as nickel, he said.y

Growth of CD-ROM Software Market Reported

OW1008075395 Tokyo KYODO in English
0654 GMT 10 Aug 95

[FBIS Transcribed Text] Tokyo, Aug. 10 KYODO — The market for Compact Disc Read-Only Memory (CD-ROM) software in Japan nearly doubled from 1993 to 1994 and may do so again this year, an industry association said Thursday.

The multimedia association of Japan said that annual CD-ROM software sales increased from 83 billion yen in 1993 to 155.3 billion yen in the following year, and that the figure in 1995 could reach 200 billion to 300 billion yen.

The association attributed the rapid growth to technological developments in the field that have made lower-priced products more available.

The spread of personal computers and game machines with built-in CD-ROM functions was another factor for the strong growth in the market, the association said.

CD-ROM, which is considered to be the main memory device in the multimedia era, storesitext and audiovisual information.

CD-ROM was first marketed in Japan in 1991, with software restricted to only a few areas such as pornography. Now it has spread into various fields, including games, education and publishing, and karaoke and car navigation systems.

By type, the largest market for CD-ROM software is for games, with sales in 1994 amounting to 62 billion yen, about 2.5 times those in 1993, the association said.

The second-largest market is karaoke, followed by educational materials and then dictionaries. Pornography remains a brisk field, with annual sales amounting to 7.1 billion yen in 1994 from the previous year's 1.7 billion yen, the association added.

The large groups of users are those who have a personal computer at home, then commercial karaoke venues and users of TV games, it said.

An official estimated that CD-ROM software for personal computers increased in 1994 to 61.2 billion yen, about five times the figure in the year before, reflecting the rapid spread of multimedia personal computers.

NEC Wins Bid for Science Agency Supercomputer

OW0808010295 Tokyo NIHON KEIZAI SHIMBUN in Japanese 6 Aug 95 Morning Edition p 5

[FBIS Translated Text] NEC has won a bid for its new model supercomputer "SX-4" from the National Research Institute for Metals [NRIM] under the Science and Technology Agency. This is one of the computer procurements by the government from the FY95 budget. Cray Research Japan (President Yoshikazu Hori; located in Chiyoda Ward, Tokyo) also participated in the bid but NEC won the bid this time. This is the first domestic order received by NEC for the "SX-4." Since NEC failed to obtain any orders for the government in fiscal 1994, it hopes to make up for this with its new computer.

NEC's supercomputer "SX-4/20," which will be delivered to the NRIM, will have 20 central processing units (CPU). It is capable of floating point computing 40 billion times per second. This order, which includes an ultra parallel processing computer made by International Business Machines, is expected to be worth about 3 billion yen, in terms of purchase price.

Although Cray Research participated in the bid for the same project with its new model computer "T90," it was beaten under an overall assessment based on the results of performance tests and the bid price. The NRIM will use the supercomputer for research and development of new materials and technology to evaluate new materials.

The government plans to accept bids for nine projects in fiscal 1995, three of which are new projects. Fujitsu has already won bids for two projects among the six projects to renew existing models. This was the first time that the bid results for new procurements have been revealed.

Fujitsu ranks first in the government procurement for two consecutive years. NEC and Cray Research have been trying to roll back by introducing new models. It is expected that the bid winners of the remaining six projects will be decided by September.

Postal Insurance Contracts Increase Reported

OW0708102095 Tokyo KYODO in English 0823 GMT 7 Aug 95

[FBIS Transcribed Text] Tokyo, Aug. 7 KYODO — The number of postal insurance contracts newly concluded in the April-June first quarter of fiscal 1995 totaled 2,072,000, up 5.0 percent from a year earlier, the Posts and Telecommunications Ministry reported Monday [7 August].

Annuity insurance contracts increased 32.8 percent to 221,000 cases, the ministry said.

Ministry officials attributed the increase to a decrease in the number of contracts signed a year earlier following a raise in premiums in April last year.

In addition, savings-type postal insurance aroused strong demand amid low interest rates as their yields are higher than those on other financial products, the officials said.

Of the contracts concluded in the first fiscal quarter, those for endowment insurance posted a noticeable increase of 10.4 percent, the ministry said.

New Transport Minister on 'Major Policy Goal'

OW1208055295 Tokyo KYODO in English 0452 GMT 12 Aug 95

[FBIS Transcribed Text] Tokyo, Aug. 12 KYODO — Newly appointed Transport Minister Takeo Hiranuma says improvement in the nation's overall traffic system is his major policy goal, including expansion of Shinkansen Bullet Train services and the construction of an internationally competitive airport.

The ministry wants to craft a basic framework for the Bullet Train expansion program next year and aims to win budgetary allocations in fiscal 1997, Hiranuma said in a recent interview with KYODO NEWS SERVICE.

On airport improvement programs, including the second-phase construction of Kansai International Airport, which opened in September 1994, Hiranuma indicated the need to receive more budgetary appropriations in order to lower landing fees and charges for airport use in Japan.

Such fees in Japan are set at higher levels than those in neighboring countries as a way to finance construction costs, a situation eroding Japanese airlines' international competitiveness.

Hiranuma said Japan would lag behind its neighboring countries as an airport that could serve as a hub cannot be fostered under these circumstances. [sentence as received]

He said the ministry will consider the possibility of building a third airport to serve the Tokyo area, possibly offshore using technology to construct large-scale sea floats.

On antiearthquake measures for port and railway facilities, Hiranuma said he will urge the Finance Ministry to make such budgets an exception from an annual budget ceiling.

"We should make steady efforts to make these facilities more earthquake resistant," he said.

Panel: H-2 Rocket To Launch Larger Satellites

OW0908135495 Tokyo KYODO in English
1308 GMT 9 Aug 95

[FBIS Transcribed Text] Tokyo, Aug. 9 KYODO — A government panel decided Wednesday [9 August] to soup up Japan's domestically developed H-2 rocket to make it capable of launching a satellite as heavy as 3 to 4 tons, government officials said.

The rocket is currently able to deliver a satellite of up to 2 tons.

The Space Activities Commission, headed by Science and Technology Agency Director General Yasuoki Urano, will seek an outlay for the project in the agency's budget requests for the next fiscal year, the officials said.

The enhancement project is aimed at securing a vehicle for an international space station construction program and also at reducing satellite launch costs in order to establish a foothold in the international space market.

Development of the higher-powered version of the H-2 will start in the next fiscal year, with the first test model expected to be launched in 2001, they said.

The government plans to use the rocket to transport materials for a Japanese experimental module for the international space station, whose construction is expected to start in 2000.

The total cost of the H-2 improvement project is estimated at 65 billion yen.

If the improvement succeeds as planned, satellite launch costs will be slashed to a commercially competitive 8.5 billion yen from the current 19 billion yen.

In a related move, the panel approved Wednesday a delay of about half a year in the fourth launch of the rocket for technical reasons.

The commission approved the change in launch date from the originally planned January or February to sometime next summer, the officials said.

Technical adjustments between the rocket and measuring equipment to be loaded aboard are not progressing smoothly, they said.

The rocket is expected to carry 11 measuring devices for the National Space Development Agency, which operates the program, the International Trade and Industry Ministry, the Environment Agency, the United States and France.

The equipment will be used in an international project to observe the earth from a satellite to be put into orbit by the H-2 rocket.

Strategic Socioeconomic Reform Measures Proposed

OW1008105195 Tokyo KYODO in English
0958 GMT 10 Aug 95

[FBIS Transcribed Text] Tokyo, Aug. 10 KYODO — A governmental research institute said Thursday [10 August] that Japan should reform its socioeconomic structure by focusing resources on four "strategic" areas.

As there are many obstacles to the smooth achievement of deregulation and other reforms, efforts should be directed at corporate system reform, creation of new businesses, financial system reform, and decentralization, the National Institute for Research Advancement (NIRA) said in a report.

Specifically, the NIRA called for an end to an existing corporate system under which big companies engage in full-line operations.

Major companies should focus their resources on areas where they are more competent than the competition and procure necessary goods and services from capable outside sources, it said.

The auxiliary organ of the economic planning agency also said the extension of loans on the security of intellectual property rights will contribute to the creation of new businesses.

With regard to financial system reform, the NIRA urged the establishment of a universal banking system permitting financial institutions to engage in banking, securities and insurance services at the same time.

On decentralization, the NIRA said the number of municipalities should be reduced to 300 to 500 through reorganization and combination and that all authority related to the use of land should be transferred to local governments.

Article Describes Japan as 'Nation of Unemployed'

952A0666A Tokyo BUNGEI SHUNJU in Japanese Jun 19 95 pp 280-290

[Article written by Nobuhiro Kishi, economic journalist; "Nation of Unemployed, Japan"]

[FBIS Translated Text]

Tragedy of Chronically Unemployed Who Suffer While Camouflaged by the "Low Unemployment Rate"

I wonder how Japanese would react if told with a serious look that "Japan's unemployment rate is higher than that of the United States?" They would probably laugh off the statement by saying, "Are you serious?" "You must be kidding?" However, the statement is no joke.

The Japanese unemployment rate stands at 8.9 percent versus the U.S. rate of 8.8 percent.

The Management and Coordination Agency's Statistical Bureau, which has jurisdiction over unemployment statistics, produced this result when it used the U.S. formula for calculating the rate. The difference was a mere 0.1 percent, but the results showed that Japan's unemployment rate exceeded that of the United States.

The calculation was based on data contained in the February 1994 edition of the Special Labor Survey (conducted once a year), leaving the possibility that a similar calculation based on data for February 1995 might show even a larger variance. The reason is that the Japanese unemployment rate has remained persistently high after the bursting of the bubble economy, while the U.S. unemployment rate has steadily declined based on an economic recovery emanating from a revival in the manufacturing sector, thus reflecting contrasting trends between the two nations.

Moreover, if one were to analyze the realities surrounding phenomena conspicuous since February, such as the strong yen, falling stock prices, and financial instability, it appears inevitable that corporations will be forced to implement additional personnel cuts. We can anticipate that the 0.1 percent difference has expanded further and that the situation appears to portend a rapid collapse in the international perception of "Japan's being a nation with a low unemployment rate."

Notwithstanding, the question arises, why had Japan's unemployment rate risen so much at the time of last year's survey? Providing a reply to that question will first require an explanation of the definition for U.S. unemployment statistics.

Discouraged Workers

The U.S. Bureau of labor Statistics (BLS) assumed the position that "there was a limit to applying a single unemployment rate to all policy objectives," and introduced a series of rates ranging from U1 to U7 in 1976. The purpose of the classifications was to identify unemployment situations based on their "intensity," which were defined as indicated in the following table:

Unemployment Rates Based on Classifications of Intensity

Classification	Definition	Japan	United States
U1	Long-term unemployed without work over 13 weeks (about three months)	1.5	2.4
U2	Unemployed personnel separated from jobs (involuntarily)	0.7	3.2
U3	Unemployed over 25 years old	2.4	5.3
U4	Unemployed seeking full-time work	2.1	6.6
U5	Official unemployed	2.7	6.5
U6	Rate combining U4 rate and one-half of those seeking part-time work and selected unemployed	3.9	8.5
U7	Individuals having lost the desire to work (Individuals having lost the desire to seek work)	8.9	8.8

Calculations for Japan and the United States are based on data as of February 1994.

Of the seven classifications, the unemployment rate which is released to the public via the mass media such as ourselves is literally U5 which is the "Official Unemployment Rate." The United States maintains six other unemployment rates, while Japan maintains only one rate which is the equivalent of U5, the official unemployment rate (referred to as the complete jobless rate). As of February this year, Japan's complete jobless rate was 2.9 percent, while that of the United States was 5.4 percent or roughly double the rate for Japan.

Certainly, the current focus of this discussion U7 should be discounted to a degree in terms of its severity as an unemployment rate, but we must not forget that discouraged workers represent those individuals who desire to work, but have inevitably given up on seeking work because they have been affected by economic or employment conditions. It should be easy to visualize the situation in which people who desire to work as long as jobs are available have been reluctantly placed in such a position.

U7 is defined in English as "discouraged workers." This term has been translated into Japanese as "Workers Having Lost the Desire to Work" or "Workers Having Lost the Desire to Seek Employment," but translations peculiar to bureaucrats generally fail to convey the true significance in all instances. If the term were to be expressed in a way familiar to the layman, it would unmistakably be referred to as "chronically unemployed ," and Japan's chronic unemployment rate stands at roughly three times the level of the complete jobless rate.

When individuals among the nonworking population who are neither workers nor unemployed but who desire to work are questioned about their real feelings during labor surveys, such chronically unemployed individuals express themselves frankly. According to special survey reports for the past three years, individuals who replied "they can accept a job immediately" reflected the economic and employment situation by climbing sharply from 870,000 in 1992, to 950,000 in 1993, and to 1.11 million in 1994.

Of special note is that among those who desire to work and who had given up on finding employment, because "It appeared no suitable work is available," there was a sharp increase in the number who replied, "I could accept employment immediately if work were available now." Such individuals totaled 340,000 in 1992, but have been increasing at a near 20-percent pace to 400,000 in 1993 and 460,000 in 1994.

Another aspect worthy of attention is the extremely high percentage of women. Among those replying "I could accept employment immediately if work were available," roughly 70 percent were women including 250,000 in 1992, 290,000 in 1993, and 310,000 in 1994. Men are impacted in their middle and senior years, but the unadulterated reality of the Japanese labor market is that women are more adversely affected and become the chronically unemployed . If the 8.9 percent U7 rate were calculated by sex, the rate for men would be 5 percent, while the rate for women would be 14.7 percent or close to three times that for men.

The foregoing are not the only peculiar characteristics of unemployment rates in Japan. U1 through U5 rates in Japan are pretty much what would be expected, but rates in the U6 and U7 range reflect unusually higher rates. The question becomes, what accounts for the wide diversion between the former and latter categories? Already, 10 years have passed since the implementation of the Equal Opportunity Law, but in Japan, the fixed concept of the "place for women is the home" still prevails and it appears that diversion in rates is based on the fact that advances of women in society have merely ended in a gesture.

We will defer "detailed analysis" for a later section of this article, but even the Management and Coordination Agency's Statistical Bureau, which calculated the rates, makes no attempt to conceal its astonishment at the fact that Japan's U7 rate has exceeded that of the United States. Labor Statistics Division Chief Masato Okamoto describes his impressions frankly in saying, "It has always been said that Japan's chronic unemployment rate is high, and we have now produced calculations that verify that fact. However, I was somewhat surprised by the fact that the rate has reached levels equaling that of the United States."

Frank Sentiments

Let us discuss the plight of women as chronically unemployed by citing an actual case. In contrast to Japan's official unemployment rate, which is very low among industrialized nations, we can now quote the frank sentiments of one full-time housewife as a genuine "worker who lost the desire to work."

Aiko Aoki (fictitious name) is 33 years old. After graduating from the English Literature Department of Japan Women's University, she was employed by a Nippon Telegraph and Telephone (NTT) Company affiliate, but changed jobs as a result of marrying an employee of the same firm. Subsequently, she changed jobs twice, but with conditions worsening in each case. The last job was a part-time job, resulting in termination when the contract expired. She has since resigned herself to being a full-time housewife.

On the other hand, her husband was affected by the major restructuring of NTT and transferred to a subsidiary, but mounting stress has caused him to be placed on a leave of absence. During the leave of absence, he is paid only 60 percent of his salary, resulting in a major cut in income. They have one child.

Ironically, Aoki's tragedy started with her marriage.

"We married in 1988 in my third year of employment. The general career job category had been firmly established for women and I had ambitions of working hard without quitting in that I was fortunate in being employed by a solid company. However, the company had some very old characteristics, and intracompany marriages result in the inevitable resignation of the female employee.

"Luckily, I was transferred to an affiliated company. The job contents were related to what I was doing before and did not pertain to general clerical duties, but of a professional nature, but I believe my salary was cut by 10 percent and bonuses by 20 percent.

Even then, our combined salary reached 9 million yen a year and we bought a condominium in Tokyo including a living room, dining room, and kitchen (priced at 60 million yen). Monthly payments for loans, including that for a car, reached about 150,000 yen a month, meaning that any bonus for one person would be totally consumed in loan repayments, but we were unconcerned initially because we figured we would be able to manage as long as wages rose."

The term, "resignation for marriage," applies to women and it appears common practice that women must resign unconditionally in the case of intracompany marriages or at least face reassignment. Next comes resignation for childbirth (resignation for pregnancy), and in the end, Aoki had to quit work in her third year of marriage.

"Once I gave birth, I had no intention of becoming a full-time housewife and had planned to place my child in a day-care center and return to work. However, once an individual passes 30, or more precisely 26 in the case of women, job opportunities become extremely limited. I continued my efforts at seeking a job by reviewing job opportunity magazines and newspaper want ads and even visited government job referral offices on several occasions. I finally was introduced to a think tank by a former college friend and went to work on a part-time basis."

However, although it sounds impressive when reference is made to a think tank, her job was centered around serving tea, making copies, and answering telephone calls. Frankly speaking, she said that the days were filled with mounting frustration. Shortly after accepting that job, her husband was impacted by the major NTT restructuring and was transferred to a subsidiary, marking a quick deterioration in the circumstances surrounding the couple.

"My husband was transferred after attaining management status, thus enabling him to retain his title in connection with the transfer, but with a sharp cut in income. The reason is that he was no longer paid for overtime. Our combined income dropped to one-half of the level visualized when we bought our condominium.

"On top of that situation, last year my one-year contract with the think tank expired and I was released. It appears that my negotiations for reclassification to a professional position midway in the contract upset the chief of the general affairs department and I failed to win a renewal of my contract."

Living expenses kept at minimal levels total at least 400,000 yen monthly. From the year before last, they began withdrawing from their savings, but they finally put the condominium up for sale because they could no longer make the payments. Whenever there is a need for a substantial sum of money such as the entrance fee to kindergarten for the child, the couple continues to receive financial aid from their parents. Aoki spoke with much sadness reflected in her voice.

"The fact that we have become the victim of such circumstances, renews my desire to find a job where I can make use of my professional skills in a permanent position. However, whether I approach a government employment office or a private employment agency, they respond as if I am asking for too much. When it comes to looking for a job, Japan poses a very disadvantageous society for women."

Much like the Aoki family, there has been a sharp increase in the number of homes being put up for sale because of the inability to meet monthly payments. The reason is that family incomes have fallen because ofthe bursting of the bubble economy and decline in corporate incomes have brought a halt to raises in husbands' incomes and wives' losses of part-time jobs.

"Subrogated performance" cases under which the guarantee association substitutes payments to the Housing Loan Corporation have been increasing sharply from 4,977 in fiscal year 1991, to 6,712 in fiscal year 1992, to 8,255 in fiscal year 1993. Fiscal year 1993 figures were the highest in the past 10 years, but the Ministry of Construction (Housing Bureau's Private Housing Division) expects "fiscal year 1994 figures to possibly rise even further because of the impact of severe personnel cuts."

The increase in subrogation performance substantiates the much-talked-about dormant unemployment situation, but we cannot disregard the increase in multiple liability situations in which individuals have difficulty in repaying loans because of the excessive use of credit cards. The number of "destitute" among multiple liability cases, because they must take out loans to cover their daily living expenses, is in the uptrend.

In the past, there were many cases covering the younger generation who engaged in the purchase of expensive merchandise under what was known as bubble consumption, but the foregoing situation is now brought about by the burden of making payments on housing loans and educational fees, because of declines in incomes of the middle-aged, seniors, and women. The Ministry of International Trade and Industry (MITI) (Industrial Policy Bureau's Commercial Credit Section) which monitors consumer loans, states, "Increases in bankruptcy cases have come to a halt, but we are concerned about the number of bankruptcies taking place on the part of the middle-aged, seniors, and women because of the burden of housing loan payments."

Strict credit monitoring has brought a decline in the predominant role played by bankruptcies on the part of the younger generation, but the chronic unemployment situation on the part of the young poses a major problem. The reason is that there is an increasing trend for female graduates to give up on their efforts to find employment and relegate themselves to domestic affairs, based on the difficult employment situation which is referred to in various terms such as "glacial period" or "disaster." Such women are statistically categorized as part of the nonworking population and do not become a part of the official unemployment rate.

Reality Excluded From Statistics

Aside from those that find refuge in domestic affairs, there are those female students who return to school and make an effort to acquire knowledge with which to make a renewed assault on the job market in a desperate effort to extricate themselves from the chronically unemployed stratum. Saitama prefecture resident Kazumi Ishikawa (fictitious name; age 21) graduated from the English Literature Department of Aoyama Gakuin Junior College and is now going into her second year as part of the unemployed ranks.

"I had always aspired to work in the airline industry since my childhood days and was determined to seek employment in that area. I was adept with the English language from my junior high school days, and having confidence in my physical strength, I am thinking of becoming a ground hostess, rather than engaging in desk work.

"However, airlines recruited very few new employees last year to the extent that that the fact became a newsworthy item. I thought of taking a job at a travel agency or advertising firm as recommended by my school, but I decided to wait one more year, because my high school friends are now in their third year of college. In reality, in the fall, I decided to give up on seeking employment and have signed up to reenter college to earn a professional degree."

However, even last year, there was a dearth of recruiting actions. Recruitment campaigns by both private firms and local government offices which normally look for junior college graduates are responded to by a flood of four-year college graduates, placing junior college graduates at a disadvantage.

"Next, I figured I could not insist on going to work in the airline industry, and was interviewed for a hotel job where I could make use of my English skills. However, their terms were that I would have to make beds and serve as a bellboy (bellgirl) for the first two to four years. It's a case where I have lost complete hope, and I have now decided to remain unemployed for another year, albeit it may sound as if I have become spoiled in my predicament."

Ishikawa had taught English in her junior college days to elementary school pupils at a private English school operated by a friend. Even this year, she occasionally teaches at the school, while taking correspondence courses from a private college. She is probably able to do so, because she lives with her parents and the father works as a salaryman.

"I am not alone and there are a number of unemployed individuals that I know of. They are individuals who are taking professional courses like myself or are attending professional schools. Then, there are those who would like to do the same, but have returned home because they are from remote rural areas where they are assisting in the operation of family businesses. Superficially, they appear to be enjoying continuing student life or preparing for marriage, but such unemployed individuals are keeping a sharp eye out for any employment opportunities."

In the case of Ishikawa, abandoning selectivity would land her a job, but this may be a case where, in a sense, the young have become spoiled because of being raised in a mature society. However, it is fact that she currently exists as part of the chronically unemployed and there is a need to clearly confirm the existence of an assortment of individuals existing outside the scope of unemployment statistics. Among Ishikawa's friends, there are those who have given up on the crude way in which females are treated in the Japanese labor markets, and have engaged in job-seeking efforts while studying in the United States.

Up to this point, we have focused on women who comprise the overwhelming majority of the chronically unemployed, but we should also make reference to men in the same category. Koichi Matsuoka (fictitious name; 58), who became notorious for his position regarding designated firings and was encouraged to resign, is still unable to extricate himself from the status of the chronically unemployed. In reality, he worked one year for a regional manufacturer, but compromised his health on an assignment unaccompanied by his family and was forced to resign from that position.

"I would like to convey a message to my son's generation. That is, Japanese corporations maintain a lifetime employment system, but we must remember that all individuals are not guaranteed lifetime employment. It is not a case where all individuals will reach retirement age as a group.

"Moreover, no matter how large his corporate employer may have been, once a salaryman is separated from such a firm, he has very little marketing value in the job market. Even if the former employer says he will arrange for reemployment, it is rare that an individual is offered a satisfying job, and at best, there is a tendency to become a nominal adviser or contract employee at a friend's firm."

When one looks at Matsuoka's case, he would probably come to the conclusion that he is nothing more than one of the "unemployed." Therein lies the mystery of unemployment statistics in that, by definition, if one is looking for a job, he is classified as unemployed, but if he is not looking for a job, he is counted as part of the nonworking population. In other words, the proper interpretation would be that the nonworking population includes the chronically unemployed who are neither employed nor unemployed.

The definition of "official unemployment rate" among such unemployment statistics contains a variety of imperfections and inconsistencies. Let us set aside the issue of chronic unemployment rates for the time being and analyze the "falsehoods" of the official unemployment rate.

For purposes of this analysis, there is a need to present the definition of completely unemployed individuals as published by the Management and Coordination Agency's Statistical Bureau.

"Excludes currently employed workers, and includes those who were unemployed during the survey week and did no work whatsoever, but were able and desired to work, and were looking for work, as well as those individuals who were able to accept employment immediately and were awaiting the results of past efforts to seek employment."

The above is a circuitous definition, but in essence, the unemployed are limited to those individuals among the completely unemployed during the labor survey period (one week) at the end of each month, who were either looking for a job or were awaiting the results of prior efforts to seek employment." By contrast, the employed, who are covered by the opposite concept, are defined as the combined total of those (the employed) "who worked over one hour which produced income in the form of wages, salaries, allowances, or part-time income during the survey week" and of those (the temporarily unemployed) " who were employed but did not work at all during the survey week."

These definitions are used as a basis in providing a value which indicates the unemployment rate, calculated by dividing the denominator represented by the employed and completely unemployed into the numerator represented by the completely unemployed. Those individuals who have been excluded from the unemployment rate statistics and who are neither accounted for as part of the employed nor completely unemployed are referred to as the nonworking force, and the chronically unemployed which we reviewed in this article are a part of this group.

Labor surveys are implemented as sample surveys targeting 40,000 households and 100,000 individuals nationwide, but this is the first point that becomes an issue in any international comparisons. Among advanced industrialized nations, Japan, the United States, and Canada conduct sample surveys, but Great Britain, Germany, and France base their calculations on data recorded at unemployment benefit payment offices and employment agencies.

Further, Japan defines the employed as "anyone who has worked over one hour," but the International Labor Organization (ILO) guidelines define them as having engaged in "some work," basically leaving some variation in terms of nuance. The Management and Coordination Agency explains, "The Organization of Economic Cooperation and Development (OECD) has approved the use of the interpretation of more than one hour on the part of Japan in reference to some work," and stresses that there is only a 0.1 percent difference between Japan's official unemployment rate and OECD's standard unemployment rate calculation.

Though tantamount to hairsplitting, there are a variety of other differences among advanced industrialized nations. In contrast to a survey period of "one week" in Japan, the United States, and Canada; Great Britain, Germany, and France limit themselves to "one day." Ages targeted in the surveys are "15 years or older" in Japan, Germany, and Canada, while Great Britain, Germany, and France use "16 years or older." Further, it is unclear as to how OECD calculates its standard unemployment rate.

Also, there is a need to consider circumstances peculiar to Japan. I will avoid a detailed analysis in this article, but I would like to point out that there are fundamental differences between Japan, and Europe and the United States in reference to the following three points:

(1) The United States, Germany, and Canada "exclude the military," but Japan includes the self-defense forces in its calculations. Constitutional limitations do not allow the government to consider the self-defense forces as a military organization, but the unemployment rate would rise if it were calculated "exclusive of the self-defense forces."

(2) In Japan, foreign laborers are in most cases excluded from statistics, but in Germany, as an example, well over 3 million foreign laborers are included in their statistics. The view prevails that Japan's unemployment rate under the recession that followed the bubble economy collapse did not exceed 3 percent substantially, because illegal workers among foreign laborers served as a buffer.

(3) Reportedly, there are a million to two million corporate employees who are underutilized and considered excess, especially among middle-aged and senior white-collar workers, who are not reflected at all in statistics. It is difficult to calculate a figure for employees who are underutilized and considered excess, but it is a "shameful aspect" of Japanese-style employment practices which should not be overlooked in making comparisons with unemployment rates in Europe and the United States.

If all such aspects of unemployment data were to be redefined, there is no doubt that Japan's unemployment rate would be higher. Chiba University Professor Kazuaki Tezuka, who is an expert on the German employment situation, bluntly states, "The common view is that Japan's actual unemployment rate is twice the official rate." Similarly, Hosei University Professor Yasuo Suwa, who is an expert on the mobility of employment, expresses the view, "If unemployment rates for the middle-aged, seniors, females, younger generation, and handicapped were calculated separately, the unemployment rate would rise by about 1 to 1.5 percent. Many scholars recognize the significant variance between statistics and reality.

End of the Low Unemployment Rate Era

Now, the question is, when was Japan's unemployment rate first calculated? The oldest form of the rate was first calculated concurrent with the national census around 1925, just before the country was struck by the financial crisis, for use as basic data in resolving unemployment problems. However, survey areas were limited to the 21 industrial cities nationwide and three coal mining areas including Yubari, providing for very restricted statistics.

Subsequently, the nation assumed a wartime posture and calculation of the unemployment rate was suspended temporarily, but in 1947 when postwar recovery efforts were launched the first sample surveys were implemented adopting U.S. labor survey methods. Furthermore, two years later in 1949, conditions concerning "job search activities" were imposed, thus establishing the original shape of current unemployment statistics."

Almost one-half century later in 1967, the only system change was made. The survey method was changed from the "on-site system" wherein survey personnel visited households and the survey form was filled in by survey personnel based on replies they received in response to questions addressed to household members, to a "mail-in system" wherein household members would fill in survey forms and mail them back to the cognizant government office. The theory was that the mail-in system would produce more truthful responses than that which could be obtained through on-site interviews, thus resulting in the adaptation of the current survey form.

With the exception of the destabilized postwar period, Japan's unemployment rate held steady at 1 percent throughout the 1960's period of strong economic growth. That trend was broken in connection with the first oil crisis (in 1973), while the effects of corporate restructuring and personnel reductions boosted the unemployment rate to 2 percent after 1976.

During the bubble economy period following the 1980's, corporations dedicated themselves to what could be termed inordinate capital investments and concentrated on the establishment of significant gains in production capacity, leading to the creation of the social issue of personnel shortages. It was only a few years ago that the importation of foreign laborers became a major controversy. In reality, the unemployment rate, which is considered to be an economic indicator, dropped to 2.1 percent for two years in 1990 and 1991, leading to the impression that the low unemployment rate period had arrived once more.

However, once the bubble economy burst, corporations have dedicated themselves to restructuring in a survival effort and have increased employment cuts centered around white-collar workers in the middle-age to senior categories. Even among white-collar workers, middle-management positions, which appeared to be excessive in numbers, became the foremost target for personnel cuts. The result has been a sharp upturn in the unemployment rate since 1992, reaching the historically high level of 2.9 percent in 1994.

We have finally reached the point where it appears that Japan will reach the 3-percent level, but Japan is still low compared to Europe and the United States. As of 1994, the United States was at 6.1 percent, Germany (former West Germany) was at the high level of 8.2 percent, while France, Italy, and Canada had all exceeded the 10-percent level.

That being the case, the question is, how has the low Japanese official unemployment rate been viewed by overseas sources? The situation fell in the same category as, "The grass looks greener on the other side of the fence," and Japan was always looked upon with envy. In fact, U.S. revisionists attacked the situation as being symbolic of the unusual character of Japan as a nation. It was certainly not a case of Japan's strictly benefiting from the misery of another nation, but the Japanese unemployment rate did serve as a basis for foreign criticism. It constituted referral to the so-called "argument purporting export of unemployment."

"The reason why Japan's unemployment rate is low is that it makes an untiring effort to produce in excess of its needs and to export them in a highly concentrated manner. If Japan were to cease producing in excess and reduce exports, Japan's unemployment rate would unmistakably double to the 5-percent level. Essentially, close to one-half of the U.S. unemployment rate is attributable to Japanese excess production."

Needless to say, there was a time when Japan's low unemployment rate served as "foreign pressure" and benefited life-styles in Japan. Strong criticism from Europe and the United States was expressed in the statement, "Japan should shorten its work week in that it enjoys a low unemployment rate," leading to favorable action on the part of the slow-to-react Japanese Government. The reason is that the 1986 Maekawa Report (Economic Structure Adjustment Research Committee Report Seeking International Cooperation) recommended the major objective of shortening annual work hours to 1,800 hours as a way of reducing the foreign trade surplus.

The working hours in 1994 totaled 1,904 hours, thus falling short of achieving the goal, but that figure represented a near 20-percent cut from the 2,100 hours when the report was submitted. In comparison to the United States where employees are laid off during recessions, it is only logical that hours worked per year fell following the bursting of the bubble economy because recessions in Japan are met by cutting overtime hours. However, we cannot overlook the fact that Japan had a low unemployment rate.

However, the Japanese economic conditions are not at all so favorable that we can extol the low unemployment rates forever. There is an unending list of situations which have undermined corporate foundations and have forced increased employment curtailments, such as the super-strong yen falling through the 80-yen-to-one-dollar range, stock market doldrums hovering at the Nikkei average of 16,000 yen, industrial hollowing emanating from the relocation of production centers to overseas areas, and financial instability occasioned by the need to rescue the Tokyo Kyowa and Anzen credit associations.

The Ministry of Labor, which is responsible for monitoring employment trends, is overwhelmed by the view, "The era in which the unemployment rate stands at 2 or 3 percent will not last much longer, and is expected to rise close to 5 percent at an early stage." In the past, Japanese corporations were able to overcome situations such as the Nixon Shock, the two-time oil shocks, and the strong yen recession following the Plaza Accord through wide-ranging cost reductions. However, in the coming cycle, unless radical changes are made in the industrial and economic systems of Japan, we face the increasing danger of incremental disintegration of the national employment structure.

We can discern a typical example of such a situation in Germany. Following World War II, Germany ranked with Japan in achieving spectacular recovery and enjoyed exceedingly full employment conditions with an unemployment rate dropping below 1 percent in the 1960's and the early 1970's. There was a time when it attempted to resolve its personnel shortages and sustain its economy by importing foreign laborers from Turkey and Yugoslavia.

However, the German unemployment rate changed dramatically in connection with the first oil shock. Until 1973, the German rate was lower than that of Japan, but after 1974 its rate continued to rise above that of Japan, hovering at the 7- to 8-percent range. Reportedly, the high unemployment rate was attributable to the inability of the meister (boss) system, peculiar to Germany, to respond to changes in the industrial structure following the oil shock and it is now well known that foreign laborers have started to become a heavy burden.

Similarly, Sweden achieved a 1-percent-range unemployment rate until the 1980's which was applauded as the "Swedish Model," but in recent years, the unemployment rate has worsened dramatically. Sweden has also been adversely affected by the aftereffects of the bursting bubble economy and the unemployment rate hit 8.2 percent in 1993 and 7.9 percent in 1994, losing all semblance of what was once enviable full-employment conditions.

In contrast, Asian newly industrializing economies (NIES) present a clearly contrasting picture. Generally, Taiwan and Hong Kong have been recording unemployment rates in the 1-percent range, and have consistently bested Japan since 1986. Even South Korea has recorded an unemployment rate in the 2-percent range since 1988, and last year, recorded a rate below that of Japan for the first time.

Ministry of Labor Fails To See the Forest for the Trees

I am referring to the basics of labor economics, but nations in an economic growth phase enjoy low unemployment rates, while nations having reached a mature stage generally suffer from high unemployment rates. Currently, unemployment is a common issue faced by advanced industrialized nations, and although Japan is enjoying a relatively low unemployment rate, its high chronic unemployment rate embodies risks inherent in an issue which is no longer someone else's problem.

In summary, Europe and the United States suffer from high unemployment rates, but there is a vast difference in U.S. and European unemployment statistics. The United States suffers from an extremely high number of newly unemployed, but the mobility of its work force keeps a lid on its long-term unemployment rates (the U1 stands at 2.4 percent). In contrast, Europe presents the opposite picture with few newly unemployed, but an increase in the long-term unemployed.

Assuming that Japan's unemployment rate climbs from 2 percent to 3, 4, or 5 percent, one wonders whether Japan will retrace the U.S. pattern or the European pattern. If Japanese employment practices premised on long-term employment continue into the future, it is difficult to foresee a retracing of the U.S. pattern. However, if one looks at recent employment cuts made in middle-aged and senior salarymen, we witness separations identical to layoffs under the euphemism of "voluntary separations," indicating Japan may be nearing the U.S. pattern.

Now, let us consider the European pattern. Germany is typical of the European pattern, but restraints imposed on the hiring of the younger generation have led to a high unemployment rate among the young. In this respect, Japan faces similar trends and a look at the unemployment rate by age categories shows that the rate among the younger generation (15 to 24) is conspicuously high at 6 percent. In addition to restraints imposed on new employment by corporations, the young embrace changing values, shun 3K (kitanai, kiken, and kitsui; i.e. dirty, dangerous, and difficult) work, and seek part-time and freelancing jobs.

Does this mean that Japan's unemployment rate will rise, while holding the potential for problems inherent in both the U.S. and European patterns? Currently, it is said that Japan's unemployment rate under full employment conditions stands at about 2.5 percent. However, if both changes in the supply side in connection with the mobility of the young, females, middle-aged, and seniors and changes on the demand side such as application of software, services, and computerization in the economy are considered, it is very clear that the unemployment rate will rise.

Ministry of Labor's Labor Economics Division Chief Mitsuru Takahashi, who is responsible for preparing the labor white paper, introduced himself by saying, "Japan should endeavor to follow a third path which retraces neither the U.S. or European patterns," and continues:

"In comparison with Europe and the United States, Japan has done a good job in handling its unemployment picture, but there is entirely no guarantee that it will do so in the future. Japan must be mindful of the fact there is pressure for the formation of a high unemployment rate and consider what must be done to restrain that rate. A major point to be considered, which will be the key to resolving the problem, will consist of how we will create new job opportunities in new industry sectors? The question is, how will we create, not bad, but good job opportunities?"

We need not wait for Takahashi to point out the fact that Japan's employment practices, based on lifetime employment and seniority, have reached a turning point. If we neglect future actions because of the low unemployment rate, we will unmistakably face the day when we will have to pay for such neglect. It appears that the Management and Coordination Agency's Statistical Bureau has been preparing itself, since the issuance of this year's end-of-May Special Labor Survey Report, to publicly disclose the chronic unemployment rate (U7), based on a strong fear of such potential consequences.

Labor Statistics Division Chief Okamoto states, "U indices are internationally recognized and although they are limited to a once-a-year calculation, they probably should be published," indicating he is positive about such a move. Additionally, Okamoto expressed himself as follows, sounding a warning in reference to the future.

"The issue is, what direction is Japan's unemployment rate assuming? The rate is still low owing to the impact of the high-growth period, but when East Asian nation rates near ours, Japan's rates will probably be nearing those of Europe and the United States. In fact, in the future, the crucial issue will be the surfacing of the chronic unemployment situation."

The Management and Coordination Agency is the issuer of the unemployment rate, while the Ministry of Labor is the user of the rate and contains officials who are both for and against the publication of the chronic unemployment rate. Those in favor of such publication say, "Such experiments would be appropriate at a time when the industrial structure is undergoing drastic changes," but those opposed do not conceal their unhappiness with the pending publication of the rate by saying, "If the published index is interpreted as the basic unemployment rate, the rate itself could be overemphasized and create unnecessary turmoil."

However, we are now probably at a stage where such controversy is meaningless. In the past, the Ministry of Labor has strongly insisted, "Some scholars say that the unemployment rate will come out at a low rate, but that is a misunderstanding. Even if the rate is calculated on the basis of definitions provided by the OECD for standard unemployment rates, variances fall within margins of error." If we speak tirelessly of "definitions and definitions," and fail to recognize the dramatic changes in employment mobility, we will suffer from total confusion. We must do all we can to avoid the danger of a pitfall wherein we "fail to see the forest for the trees."

Reportedly, progress in applying software, services, and computerization in the economy has precluded the accurate reflection of the price-destruction process in current government price statistics. The reason is that both wholesale prices and consumer prices are literally calculated on the basis of prices for "things." The same statement applies to the unemployment rate data which is centered around manufacturing and in the sense that we must sound warnings relative to Japanese employment as we proceed toward the 21st century, it is the obligation of the government to disclose the real situation concerning the chronically unemployed .

We earlier referred to the fact that external pressure benefited Japan in connection with the issue of low unemployment rates. However, in the future, the government should probably assume responsibility by using the high chronic unemployment rate for purposes of "internal pressure." It should visualize the time when the chronically unemployed surface themselves and engage in an effort to provide for occupational education and training and improvements in job referral services to provide for smooth job transitions and a national program to develop new industries to provide for new types of employment. The gravity and intensity of the "8.9 percent" rate dictates such a course of action.

North Korea

South-U.S. 'Strategy' Against North Denounced

SK1108141395 Pyongyang Korean Central Broadcasting Network in Korean 1224 GMT 11 Aug 95

[NODONG SINMUN 11 August commentary: "Stop Committing Unnecessary Acts"]

[FBIS Translated Text] By putting the South Korean puppets in the forefront, the United States is trying to make them come forth with a joint strategy against the North. The joint strategy against the North was conspired when the United States called the Kim Yong-sam puppet to Washington in late July.

At that time, in talks with the U.S. President, the Kim Yong-sam puppet put forth a high-ranking consultative body to form a joint strategy against the North and begged for assistance so that South Korea would be able to play the leading role in South-North relations.

When judging all this, we can say the joint strategy against the North that the South Korean puppets are planning to announce is the result of a scheme between the United States and the South Korean puppets. The entire picture of a joint strategy against the North has not been revealed, however it is clear that the United States is putting forth the South Korean puppets as if they are the party concerned with establishing a new peace guarantee system, and that the United States is trying to be excluded as the responsible party concerned.

On the other hand, the South Korean puppets are trying to bring forward the joint strategy against the North and securing their situation by thrusting themselves into the issue of establishing a new peace guarantee system; by perpetuating Korea's division; and by attempting to maintain the rest of their doomed life by clinging to their master's clothes. Such an act by the United States and the South Korean puppets is unrealistic and useless.

The puppet traitor Kim Yong-sam is being isolated, denounced, and rejected by all Koreans, including South Koreans, due to the antinational and antireunification crime he has committed. The only thing he did was to throw a wet blanket over the reunification movement, mercilessly suppressing South Koreans' just struggle for reconciliation, unity, democracy, and the country's reunification by wielding a fascist vicious law.

In particular, even though the puppet traitor Kim Yong-sam cut through the hearts of fellow countrymen who were in national mourning, he did not even apologize, and thus he is a villain. For such fellows to talk about reconciliation and cooperation is nothing but a farce.

The parties concerned with establishing a new peace guarantee system on the Korean peninsula is, through and through, us and the United States.

The basic problem to easing tensions and securing peace on the Korean peninsula is to prepare a new systematic mechanism that can replace the out-dated armistice system.

As is known, South Korea has no ideology at all in establishing a new peace guarantee system. Rather, it has intervened in the matter to establish a new peace guarantee system aimed at terminating the armistice system between the DPRK and the United States, which still remains belligerent, plotting to break it up. This can be seen in the fact that the puppet Kim Yong-sam clique begged for the permanent occupation of South Korea by U.S. troops while he [Kim Yong-sam] was in the United States. After returning to South Korea, he stated that he drove a wedge into the efforts to establish a peace guarantee system between the North and the United States.

It is quite clear that if such a person is allowed to intervene in matters that should be solved between the DPRK and the United States, this will only create major obstacles and complexities to improving DPRK-U.S. relations.

The United States' goal is to stifle [apsal] our Republic by always adhering to South Korea as its colonial military base. The United States is to achieve its cunning goal [umhyungham] by using the South Korean puppets. We can never allow this.

If the United States really wants peace and stabilization on the Korean peninsula, it should respond to our proposal to establish a peace guarantee system instead of playing a double game, stepping back from its responsible position as the practical legal party to the Armistice Agreement.

Along with this, the Unites States, the practical ruler of South Korea, should make efforts so that the anti-reunification, anti-independence, and anti-democracy fascist devil law can be abolished in South Korea, and so that the anti-republic maneuvers can be stopped. If the South Korean puppets continue to recklessly run amuck against us without knowing international law and practice, they will receive an even stronger denouncement from the people, not only as the puppet of the United States, but also as the enemy of peace and reunification.

Foreign Pomminnyon Groups Arrive in Pyongyang

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[FBIS Transcribed Text] Pyongyang, August 12 (KCNA) — A delegation of Koreans in the United States led by Sonu Hak-won, honorary chairman of the U.S. Headquarters of the National Alliance for the Country's Reunification (Pomminnyon), a delegation of Koreans in Canada led by Chon Sun-yong, central member of the Canada Regional Headquarters of Pomminnyon, and a delegation of Koreans in Europe led by Choe Ki-hwan, chairman of the Europe Regional Headquarters of Pomminnyon, arrived here on Friday [11 August] to participate in the Grand National Reunification Festival to celebrate the 50th anniversary of the liberation of the country.

Sonu Hak-won said in his arrival statement that Korean people should drive foreign forces out of the country and arm themselves with the spirit of democracy and independence to achieve the reunification of the country and happiness and prosperity of the nation. We will participate in the festival with this spirit, the statement noted.

Choe Ki-hwan said in his arrival statement that the whole nation's celebration of the 50th anniversary of the national liberation on August 15 will be a new occasion in demonstrating the unbreakable homogeneity of the Korean nation and consolidating the strong will of the fellow countrymen to achieve the reunification. And he stressed that he would make all his efforts for the success of the festival.

In his arrival statement Kim Son-ho, vice-chairman of the Canada Regional Headquarters of the Pomminnyon, said that he and his delegation would loudly cry out for the reunification during the festival.

Government Issues Reunification Guidelines Memo

SK1208004095 Pyongyang KCNA in English
2258 GMT 11 Aug 95

[FBIS Transcribed Text] Pyongyang, August 11 (KCNA) — The Government of the Democratic People's Republic of Korea published a memorandum on Friday with the approach of the 15th anniversary of the publication of the proposal to found the Democratic Confederal Republic of Koryo (DCRK) by the great leader President Kim Il-song.

The document elaborates on the imperishable feats performed by President Kim Il-song in the history of reunification movement, the reasonableness and feasibility of the proposal put forward by him and the ways to realise it.

What holds a particular position in the undying exploits performed by Comrade Kim Il-song for national reunification is that he systematized a reunification programme, it says, and goes on:

When he had conversations with the South Korean delegates to the high-level political talks between North and South Korea on May 3, 1972, he clarified the three principles of reunification—first, national reunification should be achieved independently without reliance on outside forces and free from their interference; secondly, great national unity should be promoted, transcending the differences in idea, ideal and system; thirdly, national reunification should be achieved by peaceful means without resorting to the use of arms.

The three principles of national reunification were the main contents of the North-South joint statement, which was made public on July 4, 1972. The three principles have been a reunification programme common to the nation since then.

On October 10, 1980, Comrade Kim Il-song at the historic sixth congress of the Workers' Party of Korea advanced the proposal to found the DCRK based on one nation, one state, two systems and two governments and the 10-point policy and thus indicated the goal of reunification and the path ahead of a reunified Korea.

The respected leader Comrade Kim Il-song, the great father of the nation, personally worked out and published the "10-point programme of the great unity of the whole nation for the reunification of the country" in April 1993, thus advancing the action programme to build the driving force of reunification.

As seen above, the programme for national reunification set forth by Comrade Kim Il-song consists of the three principles of national reunification, the proposal for founding a confederal state and the 10-point programme of the great unity of the whole nation.

As the proposal for founding the confederal state is based on the commonness of the nation, it is an original one envisaging the achievement of peaceful reunification without deviation leaving the two systems as they are neither side wiping off the other's system and extending its system there, the memorandum said, pointing out the method of its realization.

To hasten the reunification through confederation, great unity of the nation should be achieved.

The biggest obstacle to reconciliation and unity of the nation is the "National Security Law" of South Korea. The "National Security Law" instituted in December 1948 must be scrapped without delay.

The concrete wall built in the area south of the Demarcation Line in December, 1979, is a symbol of national division and the confrontation between the North and the South.

If the South Korean authorities have a real willingness for reunification, they should show it in actuality by pulling down the wall.

Peaceful precondition should be provided for the foundation of a confederal state.

If the United States is to take a practical action guaranteeing peace and security on the Korean peninsula, as it promised in the DPRK-U.S. agreed framework, it should go toward the establishment of a new peace mechanism which will replace the outdated armistice system.

The DPRK Government expresses the belief that governments and peoples of all countries will fully support the struggle of the Koreans at home and abroad to build a confederal state under the banner of great national unity, the memorandum stressed.

Government Publishes Memorandum on Reunification

SK1408041195 Pyongyang Korean Central Broadcasting Network in Korean 0700 GMT 12 Aug 95

[Memorandum issued by the DPRK Government in Pyongyang on 11 August — read by announcer]

[FBIS Translated Text] The DPRK Government published the following memorandum with the approach of the 15th anniversary of the publication of the proposal to found the Democratic Confederal Republic of Koryo [DCRK] by the great leader Comrade Kim Il-song.

The memorandum published by the DPRK Government:

This year is a historic year which marks the 50th anniversary of the liberation of the fatherland and the 50th year since the national division, as well as the 15th anniversary of the proclamation of the DCRK proposal by the great leader Comrade Kim Il-song.

Today, the DPRK Government and the entire Korean people are solemnly looking back upon the great achievements accomplished by the respected and beloved leader Comrade Kim Il-song in the history of the national reunification with tireless and energetic activities without sleep or rest from the first day the country was divided till his last moments of life.

The respected and beloved Comrade Kim Il-song aroused all the Korean people to the struggle to realize the country's reunification and to defuse the crisis of national division right after the liberation of the fatherland.

In the 25th meeting of the Central Committee of the Democratic National Reunification Front of North Korea held on 9 March 1948, the great leader Comrade Kim Il-song set forth an epoch-making program on establishing a reunified government for nationwide reunification, and proposed the convocation of a North-South joint meeting with the participation of representatives of patriotic parties and social organizations from the North and the South to discuss concrete ways to expedite the establishment of a reunified government. Thereby, in April 1948, representatives of 56 parties and social organizations from the North and the South were summoned to a North-South joint meeting. In the meeting, a decision opposing a plot to concoct a separate election in South Korea and establishing a reunified government by the Korean people themselves on the principle of democracy was adopted. The joint meeting proved that national reunification can be accomplished if the interest of the nation is placed ahead of others, even if the people have ideologies and religions that are hostile to each other.

The great leader presented reasonable plans that meet the prevailing situation, including a proposal on introducing a transitional confederal system and a proposal on easing the tension by reducing the number of military forces to under 100,000, and wisely led the struggle to realize them.

What holds a particular position in the undying exploits performed by Comrade Kim Il-song for national reunification is that he systematized a reunification program.

In his historic speech made on 6 August 1971, the great leader Comrade Kim Il-song advanced a plan on having broad negotiations between the North and South, reflecting the demand of the prevailing situation at home and abroad. Thereby, he opened the closed barrier after 26 years of national division.

Under the condition that the North and South, which have different ideologies and systems, were having a dialogue, a question of mapping out the nation's common program for reunification that the two sides should rely on during negotiations was brought up as a desperate question.

In his meeting with the South Korean delegates to the high-level political talks between North and South Korea on 3 May 1972, the great leader Comrade Kim Il-song clarified the three principles of reunification — first, national reunification should be achieved independently without reliance on outside forces and free from their interference; second, great national unity should be promoted, transcending the differences in ideas, ideals, and systems; and third, national reunification should be achieved by peaceful means without resorting to the use of arms.

The three principles of national reunification were the main contents of the North-South joint statement, which was made public on 4 July 1972. Since then, the three principles have been a reunification program common to the nation.

At the 28th UN General Assembly in October 1973, a resolution was adopted supporting the three principles of the fatherland's reunification, which was confirmed in the 4 July South-North Joint Statement.

On 10 October, 1980, at the historic Sixth Congress of the Workers Party of Korea, the great leader Comrade Kim Il-song elucidated the proposal to found the DCRK based on one nation and one state, two systems and two governments, as well as the 10-point program, thus clarifying the goal of reunification and the path toward a reunified Korea.

The respected and beloved leader said that the nation's division, which began in the 1940's and has continued until the 1990's, cannot by any means be tolerated when viewed from the nation's independence and the trend of international detente. Thus, he put forth a policy to realize the fatherland's reunification in the 1990's without fail.

According to the proposal put forth by the great leader for North-South high-level political and military talks, the North-South high-level talks were held, headed by the premier. Thus, the agreement on reconciliation, nonaggression, and cooperation and exchange between the North and South, as well as a joint declaration on the denuclearization on the Korean peninsula, were adopted and came into effect.

In April 1993, the respected and beloved leader Comrade Kim Il-song, who is the great father of the nation, worked out and published the 10-Point Program on the Great Unity of the Entire nation for the Fatherland's Reunification, thus providing the action program to build the main force of reunification.

The 10-Point Program on the Great Unity of the Entire Nation achieved the nation's unity, which is the main force of the fatherland's reunification; thus, it is a great charter to establish a reunified fatherland.

We hoped the South Korean authorities would respond to our 10-Point Program on the Great Unity of the Entire Nation so they can move along the road of reconciliation and cooperation; we took measures for exchanging top-level special envoys between the North and South. However, the South Korean authorities sallied forth along the road of North-South confrontation, not national unity.

In June 1994, based on having scientifically analyzed and summed up the situation at home and abroad, the great leader Comrade Kim Il-song personally initiated North-South top-level talks, opening a bright prospect for independent and peaceful reunification through his energetic leadership until the last moment of his life in order to achieve reunification in the nineties without fail.

As seen above, the structure and system of the program of the fatherland's reunification, as set forth by the respected and beloved leader Comrade Kim Il-song, consists of the three principles of the fatherland's reunification, the proposal for founding a confederal state, and the 10-Point Program of the Great Unity of the Entire Nation.

In connection with the 15th anniversary of when the great leader Comrade Kim Il-song put forth the proposal for founding a confederal state, the DPRK Government issues the memorandum to inform the entire world of the justness and rationality of this program:

1. The proposal for founding a confederal state is the most reasonable and realistic reunification program.

The fundamental problem in resolving the reunification issue lies in how to establish the appearance and function of a reunified state in a country divided by outside forces.

Regardless of changes in the situation, the respected and beloved leader presented a policy to complete reunification in the quickest possible time in accordance with our country's situation.

The great leader Comrade Kim Il-song has taught:

Our party considers the most realistic and reasonable way to reunify the fatherland independently, peacefully, and on the principle of great national unity is to bring the North and South together into a confederal state, leaving the ideas and systems existing in the North and South as they are.

The proposal for reunification through the confederal system, as advanced by the respected and beloved leader Comrade Kim Il-song, is to reunify the fatherland by founding the confederal republic through the establishment of a unified national government in which the North and South participate equally based on the condition that the North and South recognize and tolerate each other's existing ideas and systems, and through the establishment of a government in which the two sides are represented on an equal footing and under which they exercise regional autonomy respectively with equal rights and duties.

It is for a reunified state of the confederal type that a supreme national confederal assembly should be formed with an equal number of representatives from the North and South, as well as an appropriate number of representatives of overseas fellow countrymen, and that a confederal standing committee should be organized in the aforesaid assembly to guide the regional governments in the North and South as well as to administer all affairs of the confederal state.

The proposal for founding the confederal state is based on the principle that two systems and two governments exist within one nation and one state. Different systems have existed in the North and South since the country was divided, so neither side is making a concession.

Therefore, our country's reunification cannot be achieved by one side under any circumstance. No one side can force its ideas and system onto the other. Thus, common points for reunification can be found, leaving the ideas and systems in the two regions as they are. This is the precise commonality and homogeneity of the nation.

There is a heterogeneous nature in the North and South in which two systems have existed for almost 50 years. However, this cannot be compared with the commonality of the nation that was formed and has been consolidated for over 5,000 years.

Differences in our two systems cannot by any means provide the condition for our nation to remain divided. In addition, this cannot by any means provide a barrier which the North and South are unable to overcome.

If this is based on the commonality of the nation, which has been historically maintained, then the two systems can coexist under one nation and under one reunified state. Not perceiving such a possibility, and insisting upon reunification by demanding that we remain divided under two states until the system is unified, all under the pretext of restoring homogeneity, only perpetuates the country's division. It means they do not want to achieve reunification.

The commonality of the nation is the only means for achieving the unity of the nation, transcending the differences of the two systems. In the 10-point program of the great unity of the whole nation for the fatherland's reunification, the great leader Comrade Kim Il-song taught that a confederal state, an independent, peaceful, and a neutral pannational reunified state, should be found through the great unity of the whole nation.

At the beginning of the 1990's, confederations formed of many nations based on one system were dissolved in some countries with nations as a unit. This teaches the lesson that a confederal system should be established on the basis of the great unity of the whole nation and by sufficiently taking the interests of each nation into consideration.

It is an essential requirement of each nation to have its own independent and sovereign state. Accordingly, the homogeneity of a nation is the foremost feature of a sovereign state. The nation is a social group that was formed during the struggle to achieve independence over a long historic period; it is based on the commonality of blood, language, territory, culture, and economic life. Therefore, the nation's homogeneity becomes a fundamental element making it possible to bind society's political force as one united force in order to establish a reunified state. The Korean nation's homogeneity cannot be an exception.

The Korean nation, possessed of the same blood, has secured its homogeneity and commonality while living in the same territory for more than 5,000 years, with Tangun as its ancestral father. The commonality of the Korean nation enables the two different systems of the North and South to be included into one confederal.

Since the proposal advanced by the great leader for founding the confederal state is based on the commonality of the nation, it is an original proposal to achieve peaceful reunification without deviation, leaving the two systems as they are, with neither side liquidating the other's system or extending its system to the other. In a nutshell, we can say the reunification method for the confederal system is a reunified program based on one nation and one state, two systems and two governments; it is based on the principle of not someone swallowing the other or being swallowed by the other.

1) If the solidity of a confederal state is to be guaranteed, its operation should be conducted under democratic and balanced principles.

After the proposal for the confederal system, the respected and beloved leader set forth a policy of operating it rationally.

In his speech at the banquet celebrating the 35th anniversary of the founding of the Republic in September 1983, the great leader Comrade Kim Il-song taught:

It will be reasonable that the supreme national confederal assembly and the confederal standing committee, which is the reunified government of the confederal state, will elect co-speakers and co-chairmen in the North and South and will empower them to operate alternately.

We recognize that it is quite reasonable for the North and South to operate the confederal government alternately in the same period after establishing the system of co-speaker and co-chairman. The proposal for alternating the post of the head of the confederal government is also in conformity with international trends.

In some countries, factions that have different political views form a confederal state or a coalition government or introduce a co-premier system.

2) If it is to smoothly facilitate a reunification process based on a confederal system, this process must be completed gradually.

In his New Year's speech for 1991, the great leader Comrade Kim Il-song presented the plan under which in order to reach more easily a national agreement on the proposal for founding the DCRK, one will gradually complete reunification based on a confederal system in ways to, tentatively, give more power to regional autonomous governments of the confederal republic and, (?eventually), further enhance the function of the central government.

Under circumstances in which people of the North and South are accustomed to mutually different systems because they have lived divided for a half century, it may be difficult to found a complete confederal state at once. Therefore, if one pursues a confederal system, though not a full-fledged confederal system, and gradually facilitates each process for becoming a complete confederal state, one can safely found a complete confederal state. In the first stage, the regional governments in the North and South will be given more powers; the confederal government will ensure that one regional government does not enforce its opinion on the other; and the confederal government will play a mediatory role. This means that reunification based on a confederal system will be sought in ways for the regional governments to be given more powers for legislation, national defense, diplomacy, and the administration of justice and gradually transfer those powers to the central government.

What is basic here is how the confederal government will exercise the right to command armed forces. The confederal government should combine the Armed Forces of the North and South and found a powerful common national armed forces and defend the nation from outside aggression. The regional governments in the North and South can tentatively exercise the power to command armed forces in each's region based on the principle of defending peace and the people's safety.

2. Ways to achieve reunification based on a confederal system.

1) Great national unity must be achieved. Great national unity is a decisive guarantee for the independent, peaceful reunification of the fatherland. Independently, peacefully reunifying the fatherland is unthinkable apart from our nation's great unity. Reunification based on a confederal system is, immediately, great national unity, and great national unity is, immediately, reunification based on a confederal system. Therefore, talking about reunification after turning a deaf ear to great national unity is mere empty talk.

To achieve great national unity, the North and South must transcend differences in ideas, systems, and religions, give priority to common national interests, and subordinate everything to the cause of reunifying the fatherland. Only when there is the nation, can there be classes, and only when the nation's interests are guaranteed, can classes' interests be guaranteed. Therefore, if it is to hasten reunification based on a confederal system, great national unity must first be achieved.

The biggest obstacle to achieving national reconciliation and unity is the National Security Law of South Korea. In the world, there were divided countries, there are many hostile countries, and there are numerous laws. Except for the National Security Law of South Korea, however, there is no vicious law that considers the fellow countrymen to be an enemy and is used as a vicious means to enforce a fascist rule. Insisting on dialogue and reunification with this vicious law intact is mere hypocrisy.

The concrete barrier built on the South side of the demarcation line in December 1979 is a symbol of national division and North-South confrontation.

It is the shame of our nation to leave intact such a barrier that cannot be found in any other country.

If the South Korean authorities have the genuine will for reunification, they should demonstrate this through a practical act of destroying the concrete barrier. Since the South Korean authorities, just as other countries, also welcomed the removal of barriers of division in other countries, they should demolish the concrete barrier they built.

2) One should provide preconditions for peace to build a confederal state. The impending problem that should be resolved with priority to achieve national reunification is to establish a system to guarantee peace.

By adopting the North-South agreement in 1991, the North and the South laid a foundation for guaranteeing peace. If North-South dialogue resumed according to conditions being matured, the already established systematic device would be put into operation.

The basis for guaranteeing peace on the Korean peninsula is to resolve problems with the United States that keep troops in South Korea with the prerogative of supreme command of the military.

The DPRK and the United States of America are the actual parties concerned with the Armistice Agreement. Furthermore, under the condition that the basic provisions of the Armistice Agreement were abrogated and armistice organizations were demolished by the United States, the United States, which has the responsibility for this, should take charge of [tamdang haeya handa] the issue of replacing the armistice system with a peace guarantee system.

Only if a systematic device is put into operation to guarantee peace and to prevent war, will a more favorable condition for reunification through confederation be created.

If the United States is to take a practical action guaranteeing peace and security on the Korean peninsula, as it promised in the DPRK-U.S. agreed framework, it should go toward establishment of a new peace guarantee system that will replace the outdated armistice system.

Reunification of Korea into a confederal state, if realized, will create a favorable condition for maintaining durable peace in Northeast Asia. Since the Korean peninsula is in an area of strategic importance, the interests of big countries are entangled in a complicated manner, and which, historically, have been the subject of their confrontation.

This being the case, the issue of guaranteeing peace on the Korean peninsula is the key factor for guaranteeing peace in Northeast Asia.

The reunified state, in which the governments of two districts of the North and the South participate on equal footing, will not be made to represent allegations of any one side in its foreign policy. Thus, it has to implement neutral policies and will systematically guarantee peace by rejecting the intervention of big countries.

The method of reunification through confederation put forward by the great leader Comrade Kim Il-song 15 years ago is winning greater international support and sympathy with each passing day.

Even the people of countries that regarded our country as an enemy in the past assess that only the reunification through confederation method can resolve the issue of Korea's reunification. This is because this method ensures fairness and equilibrium of the North and the South, as well as their neighboring countries.

The plan for the establishment of a confederal state is a most precious bequest of the great leader [suryongnim] left for the cause of national reunification and is a common program of the nation for reunification.

Reunification in the nineties is the lifetime teaching of the great leader Comrade Kim Il-song. The historic task of national reunification in the nineties will be achieved without fail under the leadership of the great Comrade Kim Chong-il, the lodestar of national reunification.

The immortal achievements made by the great Comrade Kim Il-song in the cause of national reunification will be brilliant forever together with the reunified fatherland.

The DPRK Government firmly believes that governments and peoples of all countries will fully support the struggle of the Koreans at home and abroad to build a confederal state under the banner of great national unity.

[Issued] 11 August 1995, Pyongyang

KCNA Elaborates on Reunification Guidelines

SK1208053595 Pyongyang KCNA in English
0514 GMT 12 Aug 95

["Memorandum of DPRK Government" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 12 (KCNA) — The Government of the Democratic People's Republic of Korea published a memorandum on August 11 with the approach of the 15th anniversary of the publication of the proposal to found the Democratic Confederal Republic of Koryo [DCRK] by the great leader President Kim Il-song.

It elaborated on undying exploits performed by President Kim Il-song in the history of reunification movement, the reasonableness and feasibility of the proposal advanced by him and ways to put it into practice.

The great leader Comrade Kim Il-song performed great exploits in the history of national reunification with his tireless energetic activities from the first days of the national division to the last moment of his life, the memorandum said, and continued:

What holds a particular place in the undying exploits performed by Comrade Kim Il-song for national reunification is that he systematized a reunification programme.

In his historical speech of August 6, 1971, he put forward an all-embracing policy of North-South negotiation.

On May 3, 1972, he received the delegate of the South Korean side to the North-South high-level political talks and clarified the three principles of national reunification — firstly, national reunification should be achieved independently without reliance on outside forces and free from their interference; secondly, great national unity should be promoted, transcending the differences in idea, ideal and system; and thirdly, national reunification should be achieved by peaceful means without the use of arms.

The three principles were published as the keynotes of the North- South joint statement of July 4, 1972. Since then have they been recognised as a reunification programm common to the nation.

On October 10, 1980, Comrade Kim Il-song at the historic Sixth Congress of the Workers' Party of Korea advanced the proposal to found the Democratic Confederal Republic of Koryo based on one nation, one state, two systems and two governments and the 10-point policy and thus indicated the goal of reunification and the path ahead of a reunified Korea.

The respected leader Comrade Kim Il-song, the great father of the nation, personally worked out and published "10-point programme on the great unity of the whole nation for the reunification of the country" in April 1993, thus providing the action programme to build up the driving force of reunification.

As seen above, the programme for national reunification set forth by Comrade Kim Il-song consists of the three principles of national reunification, the proposal for founding a confederal state and the 10-point programme of the great unity of the whole nation.

The memorandum said that the proposal for founding the confederal state is the most reasonable and realistic reunification programme.

It quoted Comrade Kim Il-song as saying:

"Our party considers that the most realistic and reasonable way to reunify the country independently, peacefully and on the principle of great national unity is to bring the North and the South together into a confederal state, leaving the ideas and social systems existing in North and South as they are."

The proposal for reunification through confederacy advanced by Comrade Kim Il-song envisages that the country should be reunified by founding the confederal republic through the establishment of a unified national government on condition that the North and the South recognise and tolerate each other's ideas and social systems, a government in which the two sides are represented on an equal footing and under which they exercise regional autonomy respectively with equal rights and duties.

It will be reasonable that the unified state of the confederal type form a supreme national confederal assembly with an equal number of representatives from the North and the South and an appropriate number of representatives of overseas nationals and that a confederal standing committee be organised in the aforesaid assembly to guide the regional governments in the North and the South and to administer all affairs of the confederal state.

The principle of the proposal for founding the confederal state is that two systems and two governments exist within one nation and one state.

Different systems have existed in the North and the South for nearly 50 years since the country was divided. Neither the North nor the South wants to recede from its system.

Therefore, the reunification of our country cannot be achieved by one side under any circumstances.

Under this condition, the North and the South should find out the common points for reunification, leaving ideas and systems in the two regions as they are.

This is precisely the commonness and homogeneity of the nation.

The commonness of the nation is the only way for achieving the unity of the nation, transcending differences of the two systems.

In "10-point programme of the great unity of the whole nation for the reunification of the country", Comrade Kim Il-song said that the North and the South should found a confederal state, an independent, peaceful and neutral pan- national unified state through the great unity of the whole nation.

At the beginning of the 1990s, multi-national confederations based on one system were dissolved in some countries with nations as a unit. This teaches the lesson that a confederacy should be established on the basis of the great unity of the whole nation and by taking the interests of each nation into full consideration.

It is an essential requirement of each nation to have its own independent and sovereign state. Accordingly, the homogeneity of a nation is the first and foremost feature of a sovereign state.

The Korean nation of the same blood has secured its homogeneity and commonness while living in the same territory for more than 5,000 years with Tangun as its ancestral father.

As the proposal for founding the confederal state advanced by Comrade Kim Il-song is based on the commonness of the nation, it is an original one envisaging the achievement of peaceful reunification without deviation leaving the two systems as they are, neither side wiping off the other's system and extending its system to the other.

After the proposal for confederacy, Comrade Kim Il-song set forth the policy of administering it rationally.

In the speech at the banquet arranged in celebration of the 35th anniversary of the foundation of the DPRK in September 1983, Comrade Kim Il-song said:

"It will be reasonable that the supreme national confederal assembly and the confederal standing committee, which constitute the unified government of the confederal state, elect co-speakers and co-chairmen in the North and the South and empower them to administer it alternately."

We consider it very reasonable for the North and the South to administer the confederal government alternately in the same period after establishing co-speakership and co- chairmanship.

The proposal for alternating the post of the head of the confederal government conforms to the international trend.

In the New Year address for 1991, Comrade Kim Il-song laid down the policy of tentatively granting more authority to the regional autonomous governments under the confederal republic and gradually completing the reunification through confederacy by increasing the function of the central government afterwards.

This was aimed at making it easier to reach a national agreement on the proposal for the DCRK.

The people in the North and the South are accustomed to their systems while living divided for half a century. Under this condition, it may be difficult to found a confederal state of a perfect type all at once.

So, reunification through confederacy should be achieved even at a low stage. If the course of assuming all appearances of the confederal state is gradually promoted one by one, it is possible to found a perfect confederal state, without much difficulty.

At the initial stage, more authority should be granted to regional governments in the North and the South; the confederal government should prevent any side from imposing its will on the other and play the role of coordinator in settlement of issues related to the common interests of the nation.

This means that the reunification through confederacy should be matured by granting regional governments much power in legislation, defence, diplomacy and judicature, which are the kernel of the state policy, and then gradually transfering it to the central government.

The confederal government should merge the Armies in the North and the South and found a single national army in order to defend the nation from foreign aggression.

The memorandum elaborated on the way of achieving the reunification through confederacy.

It said:

The great unity of the whole nation is a decisive guarantee for the independent and peaceful reunification of the country.

If the reunification through confederacy is to be promoted, it is important, above all, to achieve the great unity of the nation.

The biggest obstacle to reconciliation and unity of the nation is the "National Security Law" in South Korea.

There were divided countries in the world. Many countries are hostile to each other and innumerable laws are in force. However, such a law as the "National Security Law" of South Korea which defines the fellow countrymen as "enemy" and which is used as a vicious means for fascist rule cannot be found anywhere.

It is hypocritical to talk about "dialogue" and "reunification" while leaving such an evil law as it is.

The law which was fabricated in December 1948 must be scrapped without delay.

The concrete wall built in the area South of the demarcation line in December 1979 is a symbol of national division and confrontation between the North and the South.

If the South Korean authorities have a real willingness for reunification, they should show it in practice by demolishing the concrete wall.

To establish a peace-keeping system is a pressing matter which must be solved preferentially in achieving the national reunification.

The North and the South adopted the North-South agreement in 1991, with the result that a framework for peace was arranged.

If the inter-Korean dialogue is resumed as the conditions are matured, the already-established institutional devices will come into operation.

What is the most important in ensuring peace on the Korean peninsula is to settle issues between the DPRK and the United States which stations its troops in South Korea and holds the operational control over the South Korean Army.

The DPRK and the USA are the direct signatories to the Armistice Agreement.

Moreover, the major articles of the Armistice Agreement were violated and the armistice tools were destroyed by the United States. Accordingly, it should bear responsibility for it and take charge of replacing the armistice system with a peace-keeping system.

If an institutional device is put into operation to ensure peace and prevent war, a more favourable condition may be created for the reunification through confederacy.

If the United States is to take a practical action guaranteeing peace and security on the Korean peninsula, as it promised in the DPRK-U.S. agreed framework, it should be oriented towards establishing a new peace-keeping system in place of the old armistice system.

The foreign policy of the unified state in which the two regional governments in the North and the South are on an equal footing cannot represent only the position of one side. So, it is obliged to enforce a neutral policy, exclude interference by big powers and guarantee peace institutionally.

To achieve the reunification in the 1990s is the behest of Comrade Kim Il-song.

This historical task will certainly be carried out under the leadership of the great Comrade Kim Chong-il, the lodestar of national reunification.

The DPRK Government expresses the belief that the governments and peoples of all countries will fully support the struggle of the Koreans at home and abroad to build a confederal state under the banner of great national unity, the memorandum stressed.

Festival Opening Ceremony Held on Mount Paektu

SK1408103695 Pyongyang KCNA in English
1009 GMT 14 Aug 95

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — A starting ceremony of the march for grand national reunification festival celebrating the 50th anniversary of the country's liberation was held on Mt. Paektu Sunday.

The starting ceremony of the march is a grandiose prelude to the grand national reunification festival that will mark a new chapter in the annals of national reunification.

The march from the peak of Mt. Paektu is destined for Panmunjom, where the grand festival is due.

Taking part in the starting ceremony were Kim Yong-sun, secretary of the C.C. [Central Committee], the

Workers' Party of Korea, Yu Mi-yong, chairperson of the C.C., the Chondoist Chongu Party, Yo Yon-Ku, presidium member of the C.C., the Democratic Front for the Reunification of the Fatherland, other officials concerned, delegates of Koreans in the North and overseas and working people in Yanggang Province.

Cho Yong-sam, member of the Association of Supporters for the Family Movement for Realizing Democracy in South Korea, was present. Invited there were former president of Portugal Francisco da Costa Gomes, honorary chairman of the International Liaison Committee for Reunification and Peace in Korea, vice-chairmen and secretary general of the committee and other honorary guests from different countries.

Delegate of the North side Mun Pyong-nok, vice-chairman of the C.C., the Social Democratic Party of Korea, in his speech said that the participants in the starting ceremony would take the first step of the grand march from Mt. Paektu, an ancestral mountain, where the respected leader Comrade Kim Il-song gave the first gun report for the liberation of the country and opened a grand phase of national unity with the 10-point programme of the Association for the Restoration of the Fatherland, and where the great leader Comrade Kim Chong-il rose up brightly as the lodestar of Mt. Paektu.

"The marchers," he said, "will melt down the barrier of division with the flames of patriotism in the noble spirit of Paektu and vigorously open a broad road of reunification."

South Korean youth Cho Yong-sam, in his speech said: "I have come here to Mt. Paektu with a desire to become the last generation of division and the first generation making a breakthrough in reunification." "I am convinced that this Mt. Paektu starting ceremony for a grand reunification festival in Panmunjom will surely be a creator of reunification."

Delegate of the overseas side An Chong-su, chairman of the Australian regional headquarters of the National Alliance for the Country's Reunification (Pomminnyon), said in his speech that the 90s' reunification is the nation's supreme task that must be achieved without fail.

"The lodestar of Mt. Paektu that rose on Mt. Paektu and shone on the whole land of the country is now brightly indicating the road ahead of reunification with the rays of the sun," he said.

Ho Chang-cho, chairman of the North side headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon) in his speech said that the grand march today is a proud one which will tear down the barrier of division and make a breakthrough in the 90s' reunification in the spirit of Paektu and a patriotic event to be recorded in the nation's history of the reunification movement.

"As the great leader general Kim Chong-il is standing in the van of our nation, our reunification march will, undoubtedly, be followed by the creation of a reunified country," he said.

Delegate of honorary guests P. Shiv Shankar, governor of Sikkim state of India, former foreign minister and chairman of the All-India Indo-Korean Friendship Association, in his congratulatory speech said that the grand reunification march remove the national division of the Korean people and greet a new bright morning of reunification and that victory is in store for the Korean people who are marching forward under the wise leadership of General Kim Chong-il, the great sun of the Korean people. At the ceremony, Kim Yong-sun awarded the march flag to the head of the march.

After the starting ceremony, the march descended from Mt. Paektu, chanting such slogans as "Let us accelerate 90s' reunification in great national unity!" and "Let us go to Panmunjom and meet at the venue of grand reunification festival!".

More on Opening Ceremony

SK1308104395 Pyongyang KCNA in English 1020 GMT 13 Aug 95

[FBIS Transcribed Text] Pyongyang, August 13 (KCNA) — Marchers of the Grand National Reunification Festival celebrating the 50th anniversary of the liberation of the country held a starting ceremony on the peak of Mt. Paektu.

The march starting from Mt. Paektu, a time-honored mountain of the revolution, will arrive at Panmunjom, the venue of the festival, on August 15 via Pyongyang.

Present were Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea, officials concerned, delegates of Koreans in the North, the South and overseas. Invited there were guests of honor.

Speeches were made at the starting ceremony.

Festival Marchers Visit Kim Il-song's Statue

SK1408045495 Pyongyang KCNA in English 0447 GMT 14 Aug 95

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — The delegates of North, South and overseas Koreans and foreign guests of honor participating in march of the Grand National Reunification Festival to mark the 50th anniversary of Korea's liberation, laid bunches of flowers and made reverences before the statue of the great leader President Kim Il-song on Lake Samji, a holy land of revolution.

Festival Guests Visit Kim Chong-il Home

SK1408053395 Pyongyang KCNA in English
0528 GMT 14 Aug 95

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — The participants in the march for the Grand National Reunification Festival celebrating the 50th anniversary of Korea's liberation and guests of honor Sunday [13 August] visited the great leader Comrade Kim Chong-il's native home of Mt. Paektu secret camp.

The visitors were told that the great leader Comrade Kim Chong-il was born as the bright lodestar of chuche Korea, seeing round mementoes preserved in the historical home.

Cho Yong-sam, member of the Association of Supporters for the Family Movement for Realising Democracy in South Korea, wrote in the visitor's book that the nation should firmly get united around General Kim Chong-il and achieve reunification without fail in the 90s.

Anders Kristensen, chairman of the Denmark-DPRK Friendship Association and secretary general of the Nordic Cooperation Committee for Friendship and Solidarity With the Korean People, said he was deeply moved to see the native home of the great leader Comrade Kim Chong-il, who is the leader carrying forward the revolutionary cause pioneered by the great Comrade Kim Il-song.

South Korean Youth Pays Homage at Kumsusan

SK1308082695 Pyongyang KCNA in English
0807 GMT 13 Aug 95

[FBIS Transcribed Text] Pyongyang, August 13 (KCNA) — Cho Yong-sam, member of the Association of Supporters for the Family Movement for Realising Democracy in South Korea, visited the Kumsusan Memorial Palace in which the great leader President Kim Il-song is preserved in state.

He expressed respects up to the statue of President Kim Il-song and made a bow to him who is preserved in state.

He wrote in the visitor's book that he would do his best for the great cause of reunification in the 1990's, true to the behests of President Kim Il-song, the sun of the nation.

Meets Yi In-mo

SK1308084595 Pyongyang KCNA in English
0829 GMT 13 Aug 95

[FBIS Transcribed Text] Pyongyang, August 13 (KCNA) — Yi In- mo, the incarnation of faith and will and former war correspondent of the Korean People's Army, had an emotion-charged meeting with Cho Yong-sam, member of the Association of Supporters for the Family Movement for Realizing Democracy in South Korea, at his house in Pyongyang on August 11.

Cho Yong-sam had given material and mental help to Yi when he was under detention in South Korea. For it, Cho Yong-sam was forced to serve a prison term.

He, a young man who has come to Pyongyang to attend the Grand National Reunification Festival marking the 50th anniversary of the country's liberation, shed tears of joy over meeting with Yi In-mo who, once disabled, has become healthy beyond recognition.

Cho Yong-sam looked back upon the time when he renewed his hope and will for reunification, seeing Yi In-mo singing the "Song of General Kim Il-song" looking up to the northern sky after his release from prison where he served a term of tens of years for the reason that he refused to be ideologically converted.

Cho said it was thanks to his pledge of faith made at that time that he could come to Pyongyang without hesitation and attend the historical August 15 festival.

Yi In-mo told the young man long time about the boundless solicitude and loving care of the respected leader President Kim Il-song and the great leader Comrade Kim Chong-il shown to him and his family.

Both Yi and Cho made a firm promise time and again to devote heart and soul to accelerating national reunification under the leadership of Comrade Kim Chong-il, holding the respected leader President Kim Il-song forever in high esteem.

Students From South Arrive in Pyongyang 14 Aug

SK1408110595 Pyongyang KCNA in English
1053 GMT 14 Aug 95

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — Delegates of the South side headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon) and the South Korean Federation of General Student Councils (Hanchongnyon) arrived in Pyongyang today to attend the grand national reunification festival celebrating the 50th anniversary of the liberation of the country.

They are student of Inchon University Chong Min-chu, student of the Catholic College Yi Hye-chong and student of Seoul National University Choe Chong-nam, codirector of the secretariat of Pomchonghangnyon.

It was warmly met at the airport by Yo Yon-Ku, Presidium member of the Central Committee of the Democratic Front for the Reunification of the Fatherland and vice-chairperson of the North side preparatory committee of the festival, Choe Hwi, vice-chairman of the Central Committee of the League of Socialist Working Youth of Korea, Ho Chang-cho, chairman of the North side headquarters of Pomchonghangnyon, and officials concerned.

A large number of citizens, youth, school children and students warmly welcomed the proud sons and daughters of the nation at the airport and along streets of the city.

Daily Stresses Importance of Reunification

SK1208104795 Pyongyang KCNA in English 1042 GMT 12 Aug 95

["Unity Should Be Achieved on Principle of Subordinating Everything to National Reunification" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 12 (KCNA) — To achieve the reunification in the 90s, the Korean nation should get firmly united as one, transcending ideas, beliefs and systems and all efforts should be exerted to accomplish the cause of reunification, stresses NODONG SINMUN in a by-lined article today.

The great leader President Kim Il-song in "10-Point Programme of the Great Unity of the Whole Nation for the Reunification of the Country" set forth the policy that the North and the South should get united on the principle of promoting co-existence, co-prosperity and common interests and subordinating everything to the cause of national reunification.

The principle serves as a highly important guideline indicating the road of achieving national reconciliation and unity, with neither side encroaching upon the other's interests under the present-day condition of Korea where different ideas and systems are existing in the North and the South, the article says, and goes on:

To attain great national unity, it is important for the North and the South to recognize and respect the existence of different ideas, beliefs and systems, and achieve joint progress and prosperity, with neither side encroaching on the other.

We must refrain, on any account, from doing such a silly act as fighting between fellow countrymen and falling into scapegoats of outside forces, under the situation that the aggressive outside forces are seeking national division and brewing antagonism and confrontation between fellow countrymen to fish in troubled waters.

What is of importance in attaining great national unity of the whole nation is to promote the interests of the whole nation before regional and class interests and direct every effort to the accomplishment of the cause of national reunification.

Reunification will be never realized, if our nation do not make efforts, preoccupied by narrow interests and prejudice, for national reunification, the cause common to the nation, putting class interests above national interests or making the struggle for realizing class demand confront that for national reunification.

Reunification will be realized in the 90s without fail, once the North and the South promote the interests of the whole nation before the regional and class interests and spearhead all wisdom, strength and efforts for accomplishing the cause of national reunification and once all the nation turn out in the nationwide struggle to realize national reunification, the cause common to the nation beyond the regional and class enclosure.

Daily Urges 'Breakthrough' for Reunification

SK1208105395 Pyongyang KCNA in English 1050 GMT 12 Aug 95

["Let Us Make Breakthrough for Reunification in '90s With Grand National Reunification Festival" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 12 (KCNA) — Events for the Grand National Reunification Festival celebrating the 50th anniversary of the liberation of the country begin on August 12 amid the great expectation and concern of all Koreans and the world's people.

In this connection NODONG SINMUN today carries an editorial article.

It says:

The Grand National Reunification Festival will be held with participation of Koreans in the North, South and overseas 50 years since the great leader Comrade Kim Il-song liberated the country by organizing and leading the heroic, great anti-Japanese war to victory. This is a special event in the struggle of our nation for the reunification of the country.

Today when delegates and figures from the North, South and overseas sit together to create a flower garden of national reconciliation and unity, all the Koreans are overwhelmed with the ardent yearning for Comrade Kim Il-song, the tender-hearted father and eternal sun of the nation, as well as with the firm resolution to achieve the reunification in the '90s at any cost, true to his behest on reunification, under the wise guidance of the great leader Comrade Kim Chong-il.

A monument to the autograph of Comrade Kim Il-song was erected and unveiled at Panmunjom, a historical place associated with bright traces of Comrade Kim Chong-il's on-site guidance, on the eve of the festival. This shows the unshakable will of the people in the North and all other Koreans to hand down through generations the undying devotion and brilliant exploits of Comrade Kim Il-song who dedicated all his life to the reunification and prosperity of the nation and to carry out his behest on reunification without fail.

The festival is a great gathering for national unity that reaffirms at home and abroad the ardent desire and steadfast will of our fellow countrymen to smash the anti-reunification moves of separatists within and without and reunify the country at any cost, closely rallied around Comrade Kim Chong-il true to the behests of Comrade Kim Il-song and makes all Korea filled with spirit for reunification.

The opening of the historic festival is a proud victory of the entire pro-reunification patriotic forces over the splittist forces within and without. And it is a demonstration of the ardent desire and unshakable will of the entire fellow countrymen for national reconciliation, unity and reunification.

With the festival as an occasion, we will discuss and define the way of the country's reunification common to the nation in conformity with the will, desire and demand of the entire fellow countrymen, by sharing the same purpose and pooling wisdom and thus give the entire nation a firm confidence in and will for the reunification in the '90s and open a bright prospect of reunification.

KCNA Issues Statement on Returning Rice Ship

SK1308041395 Pyongyang Radio Pyongyang in Korean to South Korea 0000 GMT 13 Aug 95

[FBIS Translated Text] On 13 August KCNA issued a press statement [podomun] regarding espionage activity conducted against us by a South Korean vessel, which entered Chongjin port to transport rice.

The press statement is as follows:

A grave espionage activity was perpetrated against us by a South Korean vessel which entered Chongjin port on 2 August to transport rice.

On this day, Yi Yang-chon, chief mate officer of the South Korean vessel Samson Venus, secretly brought in a camera, which should have been reported to us and sealed in conformity with the agreement (?at a certain point in transit). He secretly took 14 pictures of Chongjin port and nearby main facilities, taking advantage of the time when our functionaries were busily unloading cargo. He was caught red-handed by our functionaries.

According to an apology letter written by Yi Yang-chon, he was entrusted with a special mission of taking pictures of Chongjin port and its nearby plants, complexes, and residential areas by an agent of South Korea's Agency of National Security Planning before his departure. In return he was promised to be made a ship captain.

Like this, the hostile act that was carried out behind the curtain of the rice agreement is not an accidental incident caused by an individual's mistake, but a premeditated and deliberate provocative act by the South Korean authorities who attempted to abuse the rice issue for national antagonism and confrontation. This has been thoroughly exposed by the offender's confession.

Although this is a grave and serious situation, we have decided to cope with the incident, which occurred due to their anti-North policy of hostility toward us, with compatriotic love and magnanimity. Accordingly, our side has decided to settle the criminal act generously, and to return all the crew members of the Samson Venus, including Yi Yang-chon, and the ship.

This generous decision of ours is prompted by deep compatriotic love and humanitarianism, and it is additional proof of our magnanimous position to promote trust and desire reconciliation between the North and the South.

We call the attention of the South Korean side beforehand so that the South Korean side should give heartfelt heed to our magnanimous compatriotic measure and should not distort the truth in the future.

The South Korean cargo ship Samson Venus, with its crew, will leave Chongjin port at 1000 [0100 GMT] on 13 August.

South Vessel's Release Reported

SK1308081395 Pyongyang KCNA in English 0805 GMT 13 Aug 95

["Report of KCNA" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 13, (KCNA) — As already known, serious espionage on the North was committed by a South Korean ship which arrived at Chongjin Port on August 2, carrying rice.

Chief mate of the South Korean ship "Samson Venus" Yi Yang-chon smuggled a camera in violation of an agreement on declaring and sealing it at the first spot. And he took 14 photographs on Chongjin Port and major targets around it, availing himself of the complicated situation when our officials were engaged in unloading, but he was caught redhanded by our officials.

In a written apology, Yi Yang-chon said that before departure, he received a special task from an agent of the "Agency for National Security Planning" of South Korea on photographing Chongjin Port, industrial establishments and inhabited areas around it. In reward for this photographing, the agent promised him to promote him to master of the ship when he returned.

As the criminal admitted in his confession, it goes without saying that the hostile act which was committed behind the scene of rice cooperation is not an accident caused by a blunder of an individual, but it is a premeditated and deliberate provocation of the South Korean authorities to abuse the rice problem for national antagonism and confrontation.

Although the situation is very serious and severe, we decided to approach the case, an offspring of the hostile policy toward the North, with compatriotism and magnanimity.

So, our side decided to deal with the criminal act with leniency and return all the crewmen and the ship including Yi Yang-chon.

This leniency of ours proceeds from ardent compatriotism and humanitarianism and it is another proof of our magnanimous stand for trust and reconciliation between the North and the South.

We notify the South Korean side beforehand that it must sincerely appreciate our compatriotic measure and must not engage themselves in distorting the truth in future.

The South Korean transport ship "Samson Venus" and its crewmen will leave Chongjin Port at 10:00 A.M. [0100 GMT] on August 13.

Spokesman Denounces ROK Peace 'Proposal'

SK1408050895 Pyongyang KCNA in English 0500 GMT 14 Aug 95

["Foreign Ministry Spokesman on S. Korea's 'Idea of Peace Mechanism'" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — A spokesman of the Foreign Ministry of the Democratic People's Republic of Korea in an interview with KCNA today commented on the news reports that a "proposal" for the conclusion of a "peace agreement" between North and South Korea would be brought forward.

He told KCNA:

The South Korean authorities, under the manipulation of the United States, will reportedly bring forward an "idea of peace mechanism" based on "two plus four" or "two plus two" — the North and South conclude a "peace agreement" which is "guaranteed" by countries concerned — around August 15.

This deserves no consideration because it is not helpful at all toward preservation of genuine peace on the Korean peninsula. It is a trick to hinder the establishment of DPRK-proposed new peace mechanism.

The issue of replacing the armistice system with a peace system on the Korean peninsula should be settled by the DPRK and the United States, which is a signatory to the Armistice Agreement and holds operational control over the army in South Korea. Nobody else is entitled or allowed to poke his nose into this affair.

In view of international law, any treaty or agreement should be revised or replaced by the legal signatories. South Korea is not a signatory to the Korean Armistice Agreement and, moreover, it opposed the conclusion of the agreement to the last. It is now trying to meddle in this affair. What a ridiculous behavior.

By bringing forward this overture, which deserves no argument, the South Korean authorities mean to nullify the inter-Korean agreement on nonaggression.

If they are interested in peace and reunification, they must apologize to the entire nation for the suspension of inter-Korean dialog they brought to a rupture and must create conditions for resumption of the dialog.

Replacement of the present armistice state with a new peace mechanism is of primary importance for peace and security and reunification of the Korean peninsula.

If a new peace mechanism is built between the DPRK and the United States, the situation on the Korean peninsula will radically improve in keeping with the international trend toward detente and it will have a positive effect on the implementation of the inter-Korean agreement.

Those countries that wish a lasting peace and security on the Korean peninsula must not do things obstructive to the replacement of the outdated armistice system with a new peace mechanism.

South's 'Military Provocations' Denounced

SK1408045195 Pyongyang KCNA in English
0445 GMT 14 Aug 95

["Wildcat Military Provocations" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — The South Korean puppets fired bullets and shells in a forefront area, a provocation against North Korea, military sources said.

On the 11th and 12th of August, they brought scores of heavy tanks and 105 mm and 155 mm artillery groups of the puppet army to the western sector of the forefront and fired hundreds of shells and let armed bandits of the puppet army fire more than 1,100 12.7 mm machine gun and automatic rifle bullets.

Such reckless treachery committed by the Kim Yong-sam group in a bid to incite inter-Korean confrontation, a challenge to the unanimous desire of the nation for reunification, will never be pardoned.

Namchongnyon Students Prepare for 15 Aug Events

SK1408045895 Pyongyang KCNA in English
0450 GMT 14 Aug 95

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — More than 1,500 students of Chonnam National University, Choson University and other universities under the influence of the Kwangju and South Cholla Provincial Federation of General Student Councils (Namchongnyon) left campuses on Sunday [13 August] to participate in August 15 ceremonies common to the nation, which are scheduled to be held in Seoul, according to a radio report from Seoul.

They are supposed to take part in the aforesaid ceremonies to be held at Poramae Park in Seoul from August 13 to 16 and pay protest visits to the houses of Chon Tu-hwan and No Tae-u, former military dictators, and the "Chongwadae" [presidential offices] according to the programme of the South Korean Federation of General Student Councils.

The "civilian" fascist clique called out riot police to a strict cordon in an attempt to keep the students from taking any action.

Amnesty Termed 'Clumsy Deceptive Farce'

SK1308082495 Pyongyang KCNA in English
0818 GMT 13 Aug 95

["Clumsy Deceptive Farce" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 13 (KCNA) — The South Korean "minister of justice" on August 11 announced that the puppet government took "special amnesty and commutation measures" for "great harmony of the people", according to a radio report from Seoul.

The "special amnesty measure" is no more than a clumsy deceptive farce which the Kim Yong-sam group, utterly forsaken by the people for its repeated failure in internal and external policies and for complicated social confusion, invented to bridge over the crisis of the "regime" with the backing of the forces of the "Fifth and Sixth Republics".

This is fully proved by the fact that Yi Chong-ku, Yi Sang-hun, Om Sang-nak and other traitors to the nation and savage criminals were set free.

It goes without saying that if the "amnesty measure" was aimed at achieving the "great harmony of the people", all "political prisoners", victims of the fascist repressive rule, should be released.

The Kim Yong-sam group, in an attempt to justify the "great harmony of the people", suspended the execution of penalties on Kim Son-myong, An Hak-sop and Han Chang-ho, unconverted long-term prisoners. This only shows the hypocrisy of the "amnesty measure".

"Suspension of the execution of sentences" indicates that the group may arrest the unconverted long-term prisoners any time if it wants. It is nothing but an "amnesty" in name.

The unconverted long-term prisoners, who have been kept in prison for the reason that they refuse their ideological conversion, should have been acquitted long ago and sent back to their native places where their parents, wives and children are waiting for them.

This notwithstanding, the Kim Yong-sam group took a measure "for suspension of the execution of sentences on the three long-term prisoners, while keeping more than 80 long-term prisoners and hundreds of prisoners of conscience in prison. This shows whom the "special amnesty" is for.

The Kim Yong-sam group must not stage the deceptive "amnesty" farce but abolish the "National Security Law", the biggest obstacle to independence, democracy and reunification, and unconditionally release democratic figures and all other "political prisoners" at once.

Professors, Groups Protest Kwangju, Slush Fund

SK1208103495 Pyongyang KCNA in English
1029 GMT 12 Aug 95

[FBIS Transcribed Text] Pyongyang, August 12 (KCNA) — 53 professors of Sogang University Wednesday [9 August] made public a statement calling for the punishment of those responsible for the

Kwangju massacre, according to a radio report from Seoul.

The protesters said that the May 18 incident is a crime which cannot be pardoned at all, and demanded that the puppet authorities should not talk about the statute of limitations, but make a strict probe into the truth behind the massacre and punish those involved in it.

Also Wednesday, the Citizens Federation for Economic Justice and ten other civic organisations in a statement called for investigating again the controversial remarks on the possibility of a former dictator holding huge secret funds, which was already disclosed with the Donghwa Bank scandal, and making public the truth behind it.

Foreign Ministry Seeks Apology From Japan

SK1408052695 Pyongyang KCNA in English
0522 GMT 14 Aug 95

["Japan Urged To Atone for Her Past Crimes" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — The Foreign Ministry of the Democratic People's Republic of Korea in a memorandum dated August 13 laid bare the illegality and invalidity of the Japanese imperialists' aggression and occupation of Korea, the most shocking crime committed by them against the Korean people in the past and urged Japan to atone for her past crimes through a sincere apology and compensation.

The document came at a time when Japan is still trying to whitewash her history of aggression, far from making an apology for it, though 50 years have elapsed since the end of the Second World War, which inflicted great disasters and misfortunes upon humankind including the Korean people.

It says that the Japanese imperialists' aggression of Korea, 41 year-long military occupation and policies of enslavement and national obliteration caused huge human, material and mental damages—the murder of more than one million Koreans, coercive drafting of some six million Koreans, sexual servitude for the Japanese Army forced on upwards of 200,000 Korean women.

50 years have passed since the end of the Second World War and many international laws have since then described aggression as illegal, but Japan has not yet changed her own outlook on history and viewpoint of political and moral value at all, it says, and continues:

The attitude of Japan denying her past history of aggression only serves to reveal her militarist quality and political climate, and herein lies her wild ambition for aggression.

Having tried not to clearly see history but whitewash her past and avoid her obligation to atone for it, Japan is now making much ado about "world peace and security" and "international contributions". This, however, does not go down with the Korean people and other Asian people, who were direct victims of aggression by the Japanese imperialists.

Japan should get confidence from the Korean people and other Asian people through her sincere repentance of, an honest apology and an adequate compensation for her past.

Spokesman Comments on Comfort Women Issue

SK1108234395 Pyongyang Korean Central Broadcasting Network in Korean
2100 GMT 11 Aug 95

[Statement issued by a DPRK Foreign Ministry spokesman in Pyongyang on 11 August]

[FBIS Translated Text] On 11 August a spokesman for the DPRK Foreign Ministry issued a statement on the Japanese Government's establishment of the Asia Peace National Fund for Women under the cloak of settling the crimes related to comfort women for the old Japanese Army.

The statement issued by the DPRK Foreign Ministry spokesman:

The Japanese Government set up the Asia Peace National Fund for Women in July under the pretext of settling the crimes related to comfort women for the Army committed by the old Japanese Army during World War II.

The national fund will reportedly collect contributions from Japanese citizens and distribute them to former comfort women. Meanwhile, the Japanese Government plans to bear the expenses for the operation of the national fund to indirectly supplement the compensation to comfort women.

This is nothing but a trick to avoid the Japanese Government's direct compensation and its responsibility as the offender under international law in the solution of the comfort women issue.

As the entire world knows, the comfort women system that was managed and operated by the old Japanese Army with an estimated 200,000 Asian women was directly planned and organized by the state. This is a grave crime that violates human rights whose brutality and barbarity is not previously known in history.

Therefore, the Japanese Government should duly make direct compensation to the victims, taking responsibility under international law.

What matters in the compensation to comfort women is not whether or not the victims receive money, but whether the Japanese Government makes compensation as the offender. From this legal point of view, the national fund is not fit for legal relations between the offender, the Japanese Government, and the victims, former comfort women. In other words, even if the Japanese Government, the offender, provides money, it has legally nothing to do with former comfort women since the Japanese Government provides money for the national fund.

The national fund plays the role of collecting money from citizens and conveying it to former comfort women. Therefore, it is no more than a mediator who is not responsible for compensation. Accordingly, the money is nothing more than charity.

Therefore, compensation to former comfort women must be made through general legal procedures: The Japanese Government must probe the truth and punish the war criminals on the premise that it violated international law.

The UN Human Rights Organization also urges the Japanese Government to make official compensation, holding itself directly responsible for the comfort women issue. In view of such a demand of the international community, the national fund set up by the Japanese Government is just aimed at making impressions with only a few pennies that it is doing all it can with sincerity.

The national fund is also designed to placate the demand for compensation for other wartime damages, and to hoodwink the law and justice of the international community.

If the Japanese Government tries to finally settle the controversy and smooth over the demand for other wartime damages by playing a trick, it will be unable to avoid denunciation by the international community.

As a matter of fact, the anti-ethic crimes of the blackest dye committed by the Japanese Army during World War II are not confined only to the comfort women issue.

During the war, the Japanese Army committed countless human right abuses and war crimes of slaughtering people in different parts of Asia, drafting many people for slave labor and military service, and even conducting tests on living people at Unit 731. In our country alone, more than a million people were killed and over 6 million people were forcibly drafted, thus suffering enormous intolerable damages and losses. The Japanese Government should compensate all people who suffered by the old Japanese Army during World War II, not only former comfort women.

The Japanese Government must not try to gloss over Japan's past crimes by employing a trick, but frankly admit the crimes and adequately compensate. Only then, can it win the confidence of the international community.

Japan's Private Fund for 'Comfort Women' Viewed

SK1308084395 Pyongyang KCNA in English
0834 GMT 13 Aug 95

["Crafty Scheme To Avoid Responsibility" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 13 (KCNA) — NODONG SINMUN today comments on the attempt of the Japanese Government to wind up the issue of "comfort women for the Japanese Army" by means of "private fund".

In this, the Japanese Government is intending to smooth down the world opinion concerning to the "comfort women" issue and craftily avoid its responsibility and thus to hush up the compensation for the past, the news analyst says, and goes on:

The issue of "comfort women for the Army" should be settled from the legal point of view. In other words, that should be settled between the Japanese Government, the offender, and the comfort women, the victims.

What we demand is to try and punish those responsible and to compensate it, long with the investigation into the truth of the "comfort women" issue—its planning and culprits, the places of crimes and the number of victims. When they are met, it can be said that the issue of "comfort women for the Army" has been solved.

But, the means of "private fund" has no consideration of those demands.

The "private fund" defines that the Japanese Government, the offender, will offer money only to the "private fund" and, therefore, it has nothing to do with the former "comfort women for the Army" by law.

And, the Japanese Government asserts that it offers the money as the operation fee of the "private fund" and the money for "comfort women" be collected from citizens, thus craftily avoiding its responsibility for compensation.

After all, what the Japanese Government is seeking, through the "private fund", to shirk legal responsibility for the issue of "comfort women for the Army" and liability for compensating them.

Now the Japanese authorities are committing double crimes.

History and the conscience of mankind will settle account with their crimes.

Daily on Attitude Toward 'History of Aggression'

SK1408110795 Pyongyang KCNA in English 1039 GMT 14 Aug 95

["NODONG SINMUN on Japan's Position on its History of Aggression and Crimes" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — As long as Japan refuses to properly liquidate its past crimes, it can never win confidence anytime, says NODONG SINMUN today.

In a commentator's article titled "On Japan's Attitude Toward History of Aggression and Crime" dedicated to the 50th anniversary of the Japanese imperialists' defeat in the war, the paper says the Japanese authorities are really short-sighted.

The article further says:

Not only war criminal nations and their satellites but neutral countries and victor nations have officially clarified their positions on the war crimes and discharged their obligation or are doing so. Only Japan, however, has the impudence to refuse to even admit its history of aggression and crimes.

It is not attributable only to its deep-seated bad habit that Japan refuses to admit its aggression and crimes.

The offender's refusing admission of his crime means that he is not willing to repent of his crime but intends to repeat it. Now the Japanese reactionaries are trying to realise the design they have harbored from 50 years ago, with strength they have cultivated for 50 years.

They have invariably intended to materialize their old dream of "greater East Asia coprosperity sphere", missing the days when they invaded, occupied and dominated extensive areas of Asia.

The Japanese authorities' refusing to admit the history of aggression and crimes is also aimed at avoiding the compensation for the crimes the Japanese imperialists committed in the past. They are brazen-faced enough to think that if they do not admit the history of aggression and crimes, they can flee from the obligation for compensation.

Such acts of theirs are foolish and reckless.

What Japan did in the past is crimes committed by the state of Japan against other nations. There is no exception to international law and prescription is not applicable.

It is reasonable from the moral point of view that Japan apologizes and compensates for the harm Japan did to others.

In face of the growing demand for compensation for Japan's past crimes, the Japanese authorities are playing a crafty trick, alleging that it reached "agreements" with other nations and regions on the issue of the liquidation of the past. But such a trick cannot work.

This is an unacceptable insult to and mockery of the Korean people and all other Asian peoples.

It is a common task of not only the nations and peoples that were invaded and injured by Japan but the world people to make Japan admit its history of aggression and crimes and compensate for them.

All the people who value justice and truth and respect international law and humanitarian principles must not tolerate the brazen-faced and senseless acts of Japan.

The world people must also keep heightened vigilance against the reckless moves of militarist forces in Japan. What Japan has its eyes on is not only Asia but the whole of the world. If the world's peaceloving people unite closely and wage a powerful struggle against the Japanese militarist forces, they will become impotent.

The article goes on:

If Japan continues acting arrogantly, captive to the dream of militarism, it can do nothing. It can neither win international confidence, to say nothing of the position of a political power, nor live in easiness.

The Korean people have a legitimate right to get apology and compensation from Japan. They will make no concession with regard to their dignity and national interests.

Japan must neither avoid its historical responsibility for its past crimes nor forget the serious lesson from the defeat.

Hwang Chang-yop Meets Japanese Dietmen's Group

SK1408050395 Pyongyang KCNA in English 0453 GMT 14 Aug 95

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — Secretary Hwang Chang-yop of the Central Committee of the Workers' Party of Korea Sunday [13 August] met and had a friendly talk with the delegation of the Tokyo Metropolitan Dietmen's League for the Promotion of Japan-Korea Friendship headed by its Chairman Yoshio Utagawa at the Mansudae Assembly Hall.

Japanese Delegations Arrive for Visit

SK1208051295 Pyongyang KCNA in English 0432 GMT 12 Aug 95

[FBIS Transcribed Text] Pyongyang, August 12 (KCNA) — A Japan-Korea friendship delegation headed by Akira Iwai, chairman of the Japan Committee for Supporting the Independent and Peaceful Reunification of Korea, and a delegation of the Tokyo Metropolitan Dietmen's League for Promoting Japan-Korea Friendship led by its Chairman Yoshio Utagawa arrived in Pyongyang on August 11.

Japanese Groups Visit Kumsusan Memorial Palace

SK1308081895 Pyongyang KCNA in English 0812 GMT 13 Aug 95

[FBIS Transcribed Text] Pyongyang, August 13 (KCNA) - The delegation of the Tokyo Metropolitan Dietmen's League for the Promotion of Japan-Korea Friendship headed by its Chairman Yoshio Utagawa and the Japan-Korea Friendship Delegation on August 12 visited the Kumsusan Memorial Palace in which the great leader President Kim Il-song is preserved in state. The members of the delegations expressed respects up to the statue of President Kim Il- song and made deep bows to him who is preserved in state.

Mashagazu Yokobori, secretary of the Japan-Korea Friendship Delegation, wrote in the visitor's book that the death of President Kim Il-song, the greatest revolutionary in the 20th century who founded the immortal chuche idea and stood in the van of the struggle for global independence, is a deep sorrow to them.

We will strengthen solidarity with the Korean people who are advancing, united around His Excellency Kim Chong-il and make every possible effort for global independence, he said.

Japan-ROK 'Basic Relations' Treaty Denounced

SK1208104195 Pyongyang KCNA in English 1035 GMT 12 Aug 95

["Futile Tieup" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 12 (KCNA) — The South Korean puppets and the Japanese authorities are volubly talking about "cooperation to establish future-oriented relations on the occasion of 50 years after the war" now when voices for abolishing the illegal South Korea-Japan "treaty on basic relations" are ringing out loudly as never before in South Korea and Japan on the occasion of the August 15 liberation of Korea. Commenting on this, MINJU CHOSON today brands it as an intolerable mockery of and insult to the just demand of the peoples of Korea and Japan.

What is grave here is that the South Korean puppets and Japanese authorities are colluding with each other in the hostile policy against the DPRK, blaring that they will have "close relations" in "resumption of negotiations to normalize DPRK-Japan relations" and the fictitious "nuclear issue" of the DPRK, the news analyst says, and goes on:

The DPRK-Japan talks should be aimed at liquidating the unhappy past between the two countries and normalizing the DPRK-Japan relations as soon as possible. The talks were suspended and have not yet been resumed. This is attributable to the artificial obstacle laid by the Japanese side with unjustifiable preconditions. Japan must not cling to a dirty drama to involve the South Korean puppets in the question of resuming the talks but take an independent stand.

The South Korean puppets must give up an impudent act of putting their nose into the resumption of the DPRK-Japan talks and abrogate the South Korea-Japan "treaty on basic relations", the treacherous document, at an early date.

The South Korean puppets and the Japanese reactionaries are doggedly taking issue with the DPRK's nonexistent "nuclear issue". This is motivated by their scheme to incite the consciousness of confrontation with the DPRK and intensify their aggression forces.

Japan Urged To Accept 'Wartime' Responsibility

SK1308110195 Pyongyang Korean Central Broadcasting Network in Korean 1223 GMT 12 Aug 95

[Commentary by Kim Ho-sam: "Another Grave Challenge to the Asian People"]

[FBIS Translated Text] On 8 August, a cabinet reshuffle occurred in Japan, the first since the coalition government was established. The reshuffle ended without any major changes in the basic structure centering on the existing Socialist Party, Liberal Democratic Party, and the New Party Sakigake.

However, the newly inaugurated cabinet is pervaded with a rotten odor from its first step. Shimamura, newly appointed to the post of minister of education, held a news conference on 9 August, the day following the cabinet's inauguration, and stated: It is doubtful that

Japan needs to continue apologizing for its wartime past. In short, this indicates there is no need to further apologize.

Needless to say, this is an absurd remark that protects and supports the Japanese imperialists' past crimes and its bloody history. Shimamura's violent remarks show an unpardonable disrespect for, and are a challenge to, the people of the various countries throughout Asia, including our own.

His voice immediately aroused a strong denouncement of public opinion throughout the world. As Asian countries, including our own and the PRC, raise loud voices of denouncement, Shimamura, whose head is filled with the poison of martyrdom, hastily held another news conference on 9 August and pretended he could retract his remarks.

He stated that he retracted his remarks, ambiguously adding that such remarks were made due to his lack of awareness of history. This indicates that he appears to recognize Japan's past crimes, but inwardly tries to ignore it. The double-dealing act by Shimamura shows his crafty nature.

The current major minister of the Japanese Government, who is fully responsible for educational work, stated that because of his lack of awareness of history, he mistakenly made such remarks that Japan need not apologize, supporting its past acts of aggression. This is preposterous.

Even at this time, a few days before Japan marks the 50th anniversary of the Japanese imperialists' defeat, the Japanese minister of education has denied his country's past crimes and has attempted not to apologize. How can this happen!

Herein lies the Japanese Government's cunning intent. In essence, Shimamura's absurd remarks are aimed at laying the foundation for the Japanese Government not to compensate or reimburse for damages caused by a war waged in a responsible manner. During World War II, the Japanese imperialists slaughtered en masse a great many people in various countries throughout Asia. It also drafted them and forced them to work as slaves. This is an historic fact that cannot be denied. Furthermore, more and more material evidence has been disclosed. Proceeding from this, many countries throughout Asia have raised voices of denouncement against Japan's crimes against human rights, demanding compensation and reimbursement.

Japan, which feels great apprehension about this, is attempting to hastily settle this issue to evasively evade the question of handling [word indistinct] in advance, preventing the spread of public opinion throughout the world. Proceeding from this, the Japanese authorities have attempted to not compensate or reimburse for damages by having the state fail to recognize the great crimes committed during World War II.

The so-called Asian Peace Fund for Women, initiated by the Japanese Government in July, is a crafty strategy based on a hidden intention to roughly solve the postwar questions with private funds, not with the Japanese state accepting its own responsibility. The Japanese authorities should no longer stick to this crafty strategy.

The anti-people crimes committed by the Japanese imperialists during World War II will be surely and thoroughly calculated. The Japanese authorities should not play a double game in order to avoid making national compensation and reimbursement. If they do, this will only show their dirty nature to the world.

It may be better for newly-appointed Minister of Education Shimamura to remember the remarks made by former German President Weizsacker, who visited Japan some time ago. In the presence of the Japanese prime minister, the former German president stated that if Japan wants to establish good relations with its neighboring countries, it is important not to ignore its past. Even now, Japan should bravely recognize its past crimes and embark upon the road to compensate for them in a responsible manner. This is the road to take if Japan is to be trusted by people throughout the world.

Cambodian Group Arrives in Pyongyang

SK1308084195 Pyongyang KCNA in English 0822 GMT 13 Aug 95

[FBIS Transcribed Text] Pyongyang, August 13 (KCNA) — Delegation of the Information Ministry of Cambodia led by Khieu Kanharith, state secretary for information of Cambodia, and Sadakuni Takaya, general secretary of the Kyoto Japan-Korea Society for Scientific and Cultural Interchange, and his party arrived in Pyongyang on August 12.

Cambodian Group Leaves Flowers at Mansu Hill

SK1408050295 Pyongyang KCNA in English 0443 GMT 14 Aug 95

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — The delegation of the Information Ministry of Cambodia led by Khieu Kanharith, state secretary for information, on a visit to Korea laid a floral basket on Sunday before the statue of the great leader President Kim Il-song on Mansu Hill in Pyongyang and bowed to him.

Written on the ribbon hanging from the floral basket are letters "The great leader Comrade Kim Il-song will be immortal."

Yang Hyong-sop Meets Zaire Council Group

SK1308083195 Pyongyang KCNA in English 0824 GMT 13 Aug 95

[FBIS Transcribed Text] Pyongyang, August 13 (KCNA) — The Standing Committee of the Supreme People's Assembly gave a reception on August 12 at the Mansudae Assembly Hall in honour of the visiting delegation of the Transitional Parliament of Zaire—the Higher Council of the Republic.

Invited to the reception were members of the delegation led by Anzuluni Bembe Isilonyonyin [spelling of name as received], acting president of the parliament and its first vice-president.

Present there were chairman of the Supreme People's Assembly Yang Hyong-sop, Vice-Chairperson Yo Yon-Ku, Secretary of the Standing Committee of the Supreme People's Assembly Yi Mong-ho, and officials concerned.

Speeches were made at the reception.

On the same day chairman Yang Hyong-sop met and had a friendly talk with the Zairean delegation, which paid a courtesy call on him at the Mansudae Assembly Hall.

Delegation Visits Kumsusan

SK1408050495 Pyongyang KCNA in English 0452 GMT 14 Aug 95

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — The visiting delegation of the transitional parliament of Zaire-the Higher Council of the Republic led by Anzuluni Bembe Isilonyonyi [name as received], acting president of the Parliament and its first vice-president, Sunday paid homage to the great leader President Kim Il-song at the Kumsusan Memorial Palace where he is preserved in state.

The head of the delegation wrote in the visitor's book that the respected leader Comrade Kim Il-song who made the Korean people great and powerful will be immortal in the hearts of the Zairean people.

On the same day, the delegation laid a floral basket before President Kim Il-song's statue on Mansu Hill and bowed to him.

Written on the ribbon of the floral basket were the letters reading "The great leader Kim Il-song will be immortal."

Foreign Party Heads Send Messages on Festival

SK1208102895 Pyongyang KCNA in English 1023 GMT 12 Aug 95

[Spelling of all names as received]

[FBIS Transcribed Text] Pyongyang, August 12 (KCNA) — The National Preparatory Committee received messages in connection with the Grand National Reunification Festival celebrating the 50th anniversary of the liberation of the country from Rashed Khan Menon, general secretary of the Workers' Party of Bangladesh; Hasanul Huq Inu, general secretary of the Bangladesh National Socialist Party; Nir Mal Sen, general secretary of the Workers and Peasants Socialist Party of Bangladesh; Khalequzzaman Bhuiyan, convenor of the Socialist Party of Bangladesh; Mahbubul Huq, convenor of the Socialist Party of Bangladesh; Mujahdul Islam Selim, general secretary of the Bangladesh Communist Party; Naim Zahangir, chairman of the Political United Action Party of Bangladesh; Garib Newaz, president of the Bangladesh People's League; Nuran Nabie, secretary general of the Bangladesh-Korea Friendship Association; Vladimir Tolstikov, chairman of the Russian Association for Friendship and Cultural Cooperation With the Democratic People's Republic of Korea; Anders Linderyd, chairman of the Stockholm Branch of the Sweden-Korea Friendship Association; and the General Confederation of Trade Unions of Yemen.

The messages expressed the belief that the festival will be a historic event and turning point in the Korean people's struggle to achieve national reunification.

Journalists Union Delegation Returns From China

SK1408070195 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 10 Aug 95

[FBIS Translated Text] A delegation of the Korean Journalists Union headed by Kim Won-chol, vice chairman of the DPRK Radio and Television Broadcasting Committee, returned home on 9 August after winding up its visit to China.

The delegation was greeted at the airport by Yi Kyong-son, vice chairman of the Korean Journalists Union.

Choe Kwang Meets Outgoing Egyptian Envoy

SK1208151295 Pyongyang KCNA in English 1505 GMT 12 Aug 95

[FBIS Transcribed Text] Pyongyang, August 12 (KCNA) — Choe Kwang, chief of the General Staff of the Korean People's Army, today met and had a talk with Egyptian Ambassador to Korea 'Ali al- Mutawalli Hijazi, when the latter paid a farewell call on him.

Hwang Chang-yop Meets Maltese Party Official

SK1308083995 Pyongyang KCNA in English 0821 GMT 13 Aug 95

[FBIS Transcribed Text] Pyongyang, August 13 (KCNA) — Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea, on August 12 met and had a friendly conversation with Joe Debono Grech, former deputy leader of the Malta Labour Party and vice-chairman of the International Liaison Committee for Reunification and Peace in Korea.

The Maltese guest said that the Korean people have advanced along the road chosen by themselves even after the death of the great leader President Kim Il-song.

It was the great honor of the Korean people that they held him in high esteem as their leader, he added.

He declared that he would always invariably support the struggle of the Korean people for the reunification of their country.

Kim Chong-il Sends Thanks to KPA Units

SK1408045995 Pyongyang KCNA in English 0442 GMT 14 Aug 95

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — Comrade Kim Chong-il, the great leader of our party and people and supreme commander of the Korean People's Army [KPA], sent thanks to the Pak Tae-pyong, Kim Kyong-su, and Pae Pu-kyong units of the KPA and the Pyongyang municipal security bureau, for the noble loyalty they displayed in the work to respectfully preserve the great leader President Kim Il-song's statues.

Comrade Kim Chong-il also thanked officials of the Pyongyang municipal party committee and secretariat of the Administration Council, scientists of the National Academy of Sciences, chief officials of the State Commission of Electronic and Automatic Industries, technicians of the Korean Computer Centre, employees of the Pyongyang maternity hospital, the Pyongyang municipal first- aid hospital, the central district, Pyongyang, general tailor's shop, the Pyongyang marine products department store, the Chongnyu restaurant, the Kyonghung restaurant and the Chilsong restaurant and officials of the Sangwon cement complex for their high sense of loyalty to the fatherly leader President Kim Il-song.

Comrade Kim Chong-il also sent thanks to officials and workers of the Okryu restaurant for the great success they made in the public service.

Diplomatic Corps Sends Kim Chong-il Basket

SK1308082095 Pyongyang KCNA in English 0809 GMT 13 Aug 95

[FBIS Transcribed Text] Pyongyang, August 13 (KCNA) — The great leader Comrade Kim Chong-il received a floral basket and a congratulatory letter from the diplomatic corps in Korea on the occasion of the 50th anniversary of the liberation of the country.

Nigerian ambassador to Korea Olugbenga Ayodeji Ashiru, doyen of the diplomatic corps, handed them to Vice-Premier and Foreign Minister Kim Yong-nam on August 12.

The doyen of the diplomatic corps said that the undying exploits performed by the great leader President Kim Il-song for humankind will be recorded in gold letters forever in the minds of the Korean people and the world people and shine brilliantly.

Kim Il-song Receives Honorary Citizenship

SK1208101495 Pyongyang KCNA in English 1010 GMT 12 Aug 95

[FBIS Transcribed Text] Pyongyang, August 12 (KCNA) — The great leader President Kim Il-song was awarded the title of Honorary Citizenship of Huancavelica City, Peru.

A ceremony was held at the conference room of the city building on August 4.

The participants paid a silent tribute to the memory of President Kim Il-song at the proposal of the mayor.

President Kim Il-song's history of revolutionary activities was briefed and a decision of the Huancavelica City Council to award him the title of honorary citizenship of the city was read at the ceremony.

The decision said that a memorial service for the great leader President Kim Il-song would be held on August 4, 1995, at the conference room of the Huancavelica City Building and the title of honorary citizenship of the city awarded to Generalissimo Kim Il- song of the DPRK.

The certificate of honorary citizenship to President Kim Il-song was handed to the Korean ambassador to Peru by Mayor of the city Emma Vargas de Benavides [spelling of name as received].

The mayor noted in his speech:

"It is a great glory and pleasure for us that we praise exploits of the president and award him the title of honorary citizenship of my city to the memory of him on the occasions of the first anniversary of the great leader President Kim Il-song, the 50th anniversary of the liberation of Korea and the 424th foundation day of our city.

"Though the president passed away, his idea and exploits will be immortal and his august name will be kept in the hearts of the Peruvian people and my citizens forever."

Kim Ki-song Statue Erected at Middle School

SK1208151695 Pyongyang KCNA in English
1513 GMT 12 Aug 95

[FBIS Transcribed Text] Pyongyang, August 12 (KCNA) — A statue of Comrade Kim Ki-song, a young revolutionary, was erected at the Kim Ki-song Senior Middle School in Hoeryong situated in the northern tip of Korea, on the occasion of the 50th anniversary of Korea's liberation.

Born into a revolutionary family, Comrade Kim Ki-song was a young revolutionary who joined in the anti-Japanese revolutionary struggle in his childhood together with Comrade Kim Chong-suk, an indomitable communist revolutionary fighter, and performed heroic feats.

He was trained to be an indomitable young fighter as a member of the anti-Japanese Children's Corps organised by the great leader President Kim Il-song, warmly loved the country and people and always carried out with loyalty the revolutionary tasks of the corps. When many people in a guerrilla base were in danger because of a "punitive operation" of the Japanese imperialist aggressors, he led out the enemies to save the people from the jaw of death and died a heroic death on December 28, 1933. He was killed at the age of 12.

The Hoeryong Senior Middle School was named after the young revolutionary in January last and his statue was erected on the threshold of the 50th anniversary of the country's liberation, to represent the unanimous desire of the people and school youth and children to hand down through generations the revolutionary exploits and fighting spirit he performed and displayed in the sacred war for national liberation and carry forward the shining traditions established in the anti-Japanese war and thus uphold with a single heart of loyalty and filial duty the idea and guidance of the great leader Comrade Kim Chong-il.

His statue was unveiled with a due ceremony on August 11.

The ceremony was attended by Yi Kun-mo, chief secretary of the North Hamgyong Provincial Committee of the Workers' Party of Korea and chairman of the North Hamgyong Provincial People's Committee; Choe Ki-yong, chairman of the State Education Commission; Choe Yong- hae, chairman of the Central Committee of the League of Socialist Working Youth of Korea: and working people and school youth and children.

The board with the letters reading "Kim Ki-song Senior Middle School" hanging on the frontgate of the school was unveiled as well.

Then wreaths, bouquets and flowers from provincial party, power and administrative and economic bodies and working people's organizations were laid at the statue.

Those present observed a moment's silence in memory of Comrade Kim Ki-song

Overseas Koreans Pay Homage to Kim Il-song

SK1408053095 Pyongyang KCNA in English
0525 GMT 14 Aug 95

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — Russian-resident Korean Chong-Il sim and her entourage, chairman of the Moscow Committee of Korean Veterans Yi Kwang-il and his entourage and a home-visiting group of the Uzbek Association of Korean Veterans headed by Chairman Hwang Song-pok Sunday visited the Kumsusan Memorial Palace where the great leader President Kim Il- song is preserved in state.

They are staying in Pyongyang to participate in the grand national reunification festival celebrating the 50th anniversary of Korea's liberation.

They paid homage to the statue of President Kim Il-song and bowed to him who is preserved in state.

Earlier, they laid floral baskets and bouquets before the statue of President Kim Il-song on Mansu Hill and bowed to him.

Leaders View Unveiling of Kim Il-song Monument

SK1208035995 Pyongyang Korean Central Broadcasting Network in Korean
2100 GMT 11 Aug 95

[FBIS Translated Excerpt] At a time when the spirit for national reunification is growing highly on the occasion of the 50th anniversary of national liberation, a monument to the great leader Comrade Kim Il-song's autograph was erected before Tongil House at our side's portion of Panmunjom. [passage omitted]

A ceremony to unveil the great leader Comrade Kim Il-song's autograph monument was held on the spot.

Presented at the ceremony were Comrade Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers Party of Korea [WPK]; Comrade Kim Yong-sun, secretary of the WPK Central Committee; Comrade Chang Chol, vice premier of the Administration Council; Yu Mi-yong, chairman of the Chondoist Chongu Party Central Committee; responsible party functionaries of the capital city and provincial regions; responsible functionaries of the power organs, administrative and economic organs, and social organizations.

The monument was unveiled by Comrades Yi Chong-ok and Kim Yong-sun.

Comrade Kim Yong-sun delivered a speech at the unveiling ceremony. [passage omitted]

'Absolute' Support, Trust of Masses Stressed

SK1408110395 Pyongyang KCNA in English 1025 GMT 14 Aug 95

["Absolute Support and Trust of Popular Masses Are Source of Invincibility of Socialism" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, August 14 (KCNA) — Absolute support and trust of popular masses are the source of invincibility of socialism, stresses NODONG SINMUN in an article today.

Pointing out that it is because, first of all, popular masses are masters in socialist society, the author of the article says:

Absolute support for and trust in socialism run higher when popular masses maintain and exercise the position and right befitting the master of the state and society and lead a worthwhile and happy life befitting the master to their heart's content.

Socialism of Korea is the anthropocentric one which considers popular masses to be a genuine master of society and in which everything serves them, on the basis of chuche-oriented viewpoint and stand towards the popular masses.

The Korean people, through actual life, have deeply experienced the superiority of the Korean-style socialism and actively support and trust it, devoting themselves to defending to the end the socialism, their life and soul.

Another reason why they are the source of invincibility of socialism is that they stand as a firm guarantee for further cementing the driving force of revolution, the subject of socialism, by fortifying the singlehearted unity of the leader, the party and the masses.

The Korean people are absolutely following the revolutionary idea of the great leader Comrade Kim Il-song, firmly rallied behind the party and the leader organizationally and ideologically, and ardently revering and following the great leader Comrade Kim Chong-il as benefactor of life and as father, firmly united morally and intentionally. This unity is the source of solidness and invincibility of the Korean-style socialism.

Absolute support and trust of popular masses are the source of invincibility of socialism, also because they are the most sincere and solid ideological sentiments based on socialist politics and benevolent politics.

The benevolent politics created by Comrade Kim Il-song has now been carried forward and developed by Comrade Kim Chong-il and now it grasps the hearts of all members of the society. Therefore, the Korean people's love for and trust in the Korean-style socialism have become most sincere and solid ideological sentiments.

The entire people are absolutely trusting the party and the leader and working and enjoying life with courage and optimism, firmly rallied behind Comrade Kim Chong-il. Herein lies the source of invincibility of the Korean-style socialism and the sure guarantee for accomplishing the revolutionary cause of chuche.

Power Plant Maintains High Production Levels

SK1008122095 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 9 Aug 95

[FBIS Translated Text] Electricity producers at the Pujongang Power Plant maintain a steady and high production by effectively carrying out the maintenance of water and hydrotechnical construction.

Filled with burning determination to uphold the great leader [yongdoja] Comrade Kim Chong-il's leadership with increased electricity production, operators at the No. 1 power generation shop methodically conducted maintenance on the equipment, ensuring all generation equipment is in full operation. Thus, they overfulfilled their daily electricity production target by 110 percent.

The No. 2 and 3 power generation shops also increased production compared to that of the previous month by tenaciously conducting the maintenance of the equipment. In particular, the power plant increased production by ensuring the timely repair and proper maintenance of hydrotechnical construction during the rainy season.

Sadong Area Farm Achieves 'Satisfying' Harvest

SK1108133495 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 10 Aug 95

[FBIS Translated Text] Another satisfying harvest was achieved this year in our glorious land in the fields of the Changchon Cooperative Farm in Sadong District, Pyongyang, which is filled with the traces of the fatherly leader's leadership.

In particular, in the fields of the second sub-workteam of the No. 3 work team, which the fatherly leader personally visited, the number of ears of rice per pyong [1 pyong=3.954 square yards] is 1,600; the number of grains per ear is 180.

The condition of the corn crop is also quite good. Currently, functionaries and agricultural workers at the cooperative farm are tenaciously manuring and tending the crops so that good crop conditions can lead to rearing a bumper harvest.

Factory Produces New, More Powerful Tractor

SK1108104295 Pyongyang KCNA in English 1005 GMT 11 Aug 95

[FBIS Transcribed Text] Pyongyang, August 11 (KCNA) — The Kum Song General Tractor Works of Korea is now manufacturing new-type 40-hp [horse power] tractors.

The technical and economic effectiveness of the tractor is very high.

Its per-hour ploughing area is 1.8 times more than the Chollima tractor that has been mass-produced.

Its fuel consumption is small. Its per-hectare fuel consumption is 25 percent less than the Chollima tractor.

It can plough about 9 centimetres deeper than the Chollima tractor.

Even in swampy paddy fields, it can easily work without skidding.

It is furnished with an ignition system. It is designed for convenience in operation, adjustment and repair.

The duration of its accessories is more than 1.5 times those of previous tractors.

The 40-hp tractor, an improved one of the previous Chollima tractor, has undergone trials in diverse topographical conditions of cooperative farms. In the near future, it will be widely used in rural communities.

The workers of the works manufactured this tractor as a gift to the 50th anniversary of the foundation of the Workers' Party of Korea which will be greeted in October.

Kanggye Youth Power Plant Increases Production

SK1108135295 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 10 Aug 95

[FBIS Translated Text] With the vigor and spirit displayed during the period of the 70-day struggle, party members and workers of the Kanggye Youth Power Plant are constantly increasing power production by loudly beating the drum of the revolution under the party Central Committee's slogan. Reporter Chae Hun from the central broadcasting station met with Comrade Han Pok-nam, chief of the plant's workshop.

[Begin Han Pok-nam recording] Cherishing great dignity and pride that they are [word indistinct] of the glorious area where the trace of the great leader [yongdoja] Comrade Kim Chong-il's on-the-spot guidance is warmly preserved, party members and workers of the Kanggye Youth Power Plant are vigorously struggling to increase power production by heartily upholding the party Central Committee's slogan. The power plant regards the scientific and technological managements of the facility, hydroelectric structures, and water as important methods in normalizing power production, and has obtained achievements by concentrating efforts on them. As elucidated by the great general, who personally visited our power plant 31 years ago, producers of our three-revolution-red-flag No. 3 power workshop are increasing production with a small quantity of water by constantly enhancing the efficiency of generators, thus practically carrying out the mass-oriented technological innovation movement. In close cooperation with [word indistinct], they are actively increasing power production by more practically operating generators at full capacity and by thoroughly guaranteeing the high efficiency operation of the facility. In addition, with the revolutionary spirit of self-reliance and fortitude, power producers of the three-revolution-red-flag No. 2 power workshop are operating power facilities at full capacity by discovering and mobilizing reserves.

South Korea

U.S. Policy on Cigarettes Viewed

SK1208073695

[FBIS Editorial Report] The following is a compilation of an editorial and article carried by Seoul vernacular press on 12 August on U.S. trade pressure to be allowed to sell more cigarettes in the ROK despite its efforts to reduce smoking in the United States.

CHUNGANG ILBO carries on page three a 600-word editorial entitled "Warning That 'Cigarettes Are a Drug.'" Reacting to the U.S. FDA announcement on moves to curb teenage smoking in the United States, the editorial feels this is "in sharp contrast" to "the ROK Government's policy toward cigarettes." Attributing the increase in the number of smokers among ROK teenagers to the government's weak policies to curb cigarette use, the editorial analyzes: "Under such circumstances, foreign tobacco companies are desperately attempting to dominate the ROK market by using various dumping measures. Worse still, the U.S. Government is determined on exporting cigarettes by mobilizing every possible means of trade pressure while announcing moves to regulate smoking at home."

The editorial calls on the government to "fundamentally change its policies on cigarettes in the wake of the FDA decision," and "to declare nicotine as a drug" to dramatically lower teen smoking.

SEOUL SINMUN carries on page 23 an 800-word article by Pak Yong-hyon entitled "Brazen-Faced Tobacco Assault by the United States." Reporting on citizen reaction to the decision by President Clinton and the FDA on curbing youth smoking, the article says South Koreans have raised "voices of denunciation" against the U.S. Government for "not softening its sales attack" on the ROK market while "strengthening its regulation on cigarette sales in the United States." The article then cites citizens as saying that "the ROK Government should also map out measures to limit teen smoking." Reporting that the government plans to introduce a new national health promotion law that will restrict the scope of cigarette advertising beginning 1 September, the article writes the citizens feel that the government should "do its best to reach an agreement on the revisions to the record of understanding," which regulates the sale of American cigarettes in the country, so as "not to run counter to the spirit of the new national health promotion law."

The article then cites Kim Il-sun, chairman of the ROK Movement Consultative Council for the Prohibition of Smoking, that "the U.S. Government will be unable to escape the criticism that it does not care about foreign teenagers' health, being too determined to make money, if it continues to adhere to its demand at the ROK-U.S. meeting slated for 22 and 23 August to discuss the revisions to the record of understanding." The article reports on the above group's plan to expose "the unethicalness" of the U.S. Trade Representative, "the unfairness" of the record of understanding, and the "immoral sales strategy" by U.S. tobacco companies if the United States and the ROK "fail to reach an agreement on the revisions to the record of understanding due to the insincerity of the U.S. side." Also citing Yi Tae-yong, head of the research department of the Citizens' Coalition for Economic Justice, the article suggests that the record of understanding should be revised in conformity with the spirit of the U.S. Government declaration on curbing smoking.

U.S. Decision To Suspend Nuclear Testing Welcomed

SK1308075095

[FBIS Editorial Report] Local vernacular dailies on 13 August carry editorials welcoming U.S. President Clinton's 11 August announcement to permanently suspend nuclear testing.

The moderate KYONGHYANG SINMUN carries on page three an editorial entitled "The Earth Village Is Free From the Nuclear Horror." The editorial begins: "The U.S. announcement on permanently suspending nuclear testing is pleasant news, like a cool shower on a hot summer day. Amid the controversy over a series of nuclear tests by the PRC and the French declaration to resume nuclear testing, the United States announced it will permanently suspend its nuclear testing. The United States made a courageous decision. We hope the courageous decision will lead other nuclear powers, such as the PRC, France, Britain, and Russia, to follow suit." The editorial notes nuclear testing is not essential to the safe management of nuclear weapons, as U.S. scholars claim, and concludes: "The U.S. declaration to suspend nuclear testing will become a turning point heralding an earth free from nuclear weapons. We hope the U.S. decision will also affect other countries dreaming of a nuclear program, such as North Korea and Iraq."

The conservative CHOSON ILBO carries on page three an 800-word editorial entitled "Freedom From Nuclear Horror." The editorial begins: "U.S. President Clinton's declaration that the United States will permanently suspend nuclear testing is an epochal one." The editorial notes the significance of President Clinton's declaration, particularly because it comes as the antinuclear mood is increasing in light of the French nuclear test planned for September. The editorial urges France to suspend its plan to conduct nuclear testing, and notes the U.S. decision offers a good prospect for the signing of the Comprehensive Test Ban Treaty [CTBT], which is currently in consideration in Geneva under a U.S. initiative. The editorial wishes the United States will make continued efforts to influence other nuclear states and potential nuclear states, such as North Korea and Taiwan, in order that the U.S. decision may bring about a turning point in freeing mankind from the nuclear horror. The editorial notes the enormous nuclear armory stored by the five major nuclear powers, concluding: "Concurrent efforts should also be made to abolish or dismantle existing nuclear weapons."

The pro-government SEOUL SINMUN carries on page three a 600-word editorial entitled "The U.S. Decision To Permanently Suspend Nuclear Testing." The editorial begins: "The U.S. announcement of 11 August to permanently suspend nuclear testing is a very appropriate decision made at an appropriate time." It observes: "Although the U.S. decision may not lead France to call off its forthcoming nuclear test, or may not lead the PRC to suspend its current series of planned nuclear tests, it brings mankind's common goal to prevent nuclear proliferation one step closer to realization and will positively contribute to the CTBT negotiations." The editorial also observes: "Although some people claim President Clinton's decision is a tactic to maintain nuclear superiority by advocating a total freeze on nuclear testing, we do not feel this is so." The editorial concludes: "We firmly believe the U.S. decision will restrain the nuclear testing race [kyongjaengjogin haek silhom] by nuclear states and will contribute to the realization of the common objective of mankind for nuclear disarmament and for liberation from the nuclear horror."

Reportage on Detained Ship Samson Venus

North Seeks Confession

SK1108232095 Seoul KBS-1 Radio Network in Korean 2200 GMT 11 Aug 95

[FBIS Translated Text] A working-level contact between the North and South began in Beijing on 11 August [date as heard] to discuss the issue of returning the rice-carrying vessel Samson Venus. It is reportedly experiencing rough sailing, however, due to the North side's demand that the ROK side admit to espionage activities.

A high-ranking government official revealed that during negotiations on 11 August for the repatriation of the detained ship, the representatives from the North and South closed the gap between their views as the ROK side promised to prevent the reoccurrence of similar accidents and the additional shipment of rice, in return for the repatriation of the detained ship and its crew members in the near future. However, at the end of the contact, the North side demanded a note admitting that the ship was conducting espionage activities.

The official analyzed that as this demand cannot be accepted by the ROK side, North Korea seems to be aiming at disrupting the ROK's planned 15 August proposal to North Korea or at making additional demands on the pretext of returning the ship. The official then predicted that, in light of North Korea's current attitude, the return of the ship to the ROK will be delayed longer than previously expected.

'Some Progress' Reported in Talks

SK1208005695 Seoul YONHAP in English 0035 GMT 12 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 12 (YONHAP) — Some progress has been made at the inter-Korean working-level contact in Beijing currently discussing the repatriation of the rice-carrying freighter "Samson Venus" and 21 members of its crew detained in the North Korean port of Chongjin, it was reported Friday [11 August].

A senior government official said, "contact is being made in Beijing now between the fully-responsible authorities of the two Koreas and some progress has been made. But the negotiations have yet to be concluded."

The Beijing talks, which began late Thursday evening, are reportedly being attended by Kim Hyong-ki, deputy unification minister for information and analysis, from the South, and Yi Song-tok, a councilor at the Committee for the Promotion of External Economic Cooperation from the North.

Disclosing that the final stumbling block to the negotiations is North Korea's insistence that the ship's first mate was taking photographs of Chongjin's port facilities for "premeditated and intentional espionage purposes," the official opined that the differences of view on the matter are expected to be resolved soon.

In addition to the working-level contact, behind-the-scenes meetings are taking place in Beijing between North Korea desk officer Hong Chi-chun of the Korea Trade and Investment Promotion Corp. (KOTRA) and an official of the North's Samcholli General Corp., the official added.

"Chances are high that both sides will agree Saturday to repatriate the detained South Korean fishermen and freighter," the official said. "If no agreement was reached and the negotiations ruptured, we planned to recall our delegate Kim Hyong-ki Saturday."

North Reportedly Releases Ship

SK1308010495 Seoul YONHAP in English 0058 GMT 13 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 13 (YONHAP) — North Korea announced Sunday it will release "Samson Venus," the ship that carried rice to the North but was detained there by the North, official North Korea watcher here NAEWOE PRESS said.

NAEWOE quoted Radio Pyongyang as saying that North Korea will release the ship and its crew, which has been detained there since North Korea argued that one of its crew did "spying activities."

NUB Reports Issue Settled

SK1308014695 Seoul KBS-1 Radio Network in Korean 0100 GMT 13 Aug 95

[FBIS Translated Text] The inter-Korean working-level negotiations have settled the issue of the repatriation of the Samson Venus, the rice-transporting ship detained in North Korea.

The National Unification Board [NUB] announced on 13 August that during the working-level negotiations in Beijing, the North and South agreed to repatriate the ship and its crew.

According to the agreement between the two sides disclosed by the NUB, our government decided to settle the issue by expressing regret over the incident and promising prevention of a recurrence of such an incident.

The agreement stipulates that our side will deliver the remaining 75,000 tonnes of rice of the first round of rice aid, as originally promised, and that the North Korean side will repatriate the ship and all 21 crew members as soon as possible.

Therefore, the Samson Venus, which has been detained in North Korea for 10 days, is expected to leave the Chongjin port today and return home on 14 August.

With this, a new breakthrough is brought about in the stalemated inter-Korean relations in which the abrupt incident resulted in a crisis of total suspension of rice aid to North Korea.

Official on Freighter's Return

SK1308015295 Seoul YONHAP in English 0142 GMT 13 Aug 95

[FBIS Transcribed Text] Beijing, Aug. 13 (YONHAP) — South and North Korea reached an agreement Saturday [12 August] night here that North Korea return the South Korean rice carrier "Samson Venus," a South Korean official here said Sunday.

Kim Hyong-ki, deputy unification minister for information and analysis, said, "I've had several contacts with North Korean delegates here and on Saturday night, North Korea agreed to return Samson Venus to the South as soon as possible."

On Sunday, North Korea announced that it will return the ship at 10:00 AM Sunday [0100 GMT 13 August]. Kim, however, did not elaborated on details of the agreement.

The South Korean rice carrier "Venus" arrived at North Korea's Chongjin port earlier this month but was detained by the North Korean authorities on Aug. 3 after a member of the crew took a photograph of the port.

Message of 'Regret' Sent

SK1308050895 Seoul YONHAP in English 0458 GMT 13 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 13 (YONHAP) — North Korea agreed to return South Korean rice carrier "Samson Venus" at the inter-Korean working-level contact held in Beijing Saturday night, Song Yong-tae, vice national unification minister, said Sunday.

The South Korean freighter, with its 21 crew members aboard, left Chongjin port at 10:00 AM Sunday [0100 GMT 13 August] and is scheduled to arrive at Pohang, southeastern port, at 3:00 PM Monday, [0600 GMT 14 August] Song said.

Song announced, "Our side sent a telephone message to the North side in the name of Yi Sok-chae, vice finance and economy minister, to express regret over the fact that Yi Yang-chon, first mate of the ship, took a photograph of Chongjin port to violate the North Korean law. The message also promised that such a mistake will not be repeated and that we will send the remaining amount of rice to the North."

South Korea has sent 75,000 tons of the promised 150,000 tons of rice aid, and still has to deliver the remaining 75,000 tons.

"On receiving the message, North Korea sent a message in the name of Chon Kum-chol, North Korea's chief delegate to the inter-Korean rice talks, to us on Sunday morning to notify that it will return the ship and its crew to the South," Song added.

Under the agreement, Song said, South Korea's another freighter will leave Kwangyang port Sunday, carrying 10,000 tons of rice, for North Korea's Nampo port.

Song said that Kim Hyong-ki, deputy national unification minister for information and analysis, will stay in Beijing for one or two more days to adjust schedule of a third inter-Korean Beijing talks, which will deal mainly with return of South Korean trawler Usong '86 and South Korean clergyman An Sung-un.

All Crew Members 'Healthy'

SK1408002195 Seoul YONHAP in English
0008 GMT 14 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 14 (YONHAP) — All 21 crew members of the "Samson Venus," the South Korean rice-carrying freighter that left the North Korean port of Chongjin at around 10:40 AM Sunday [0140 GMT 13 August] following seven days of detention on charges of spying, are all healthy, Skipper Chang Pyong-ik, 40, said when he telephoned the vessel's firm in Seoul at 7:20 PM Sunday, Samson Shipping Co. disclosed.

The crew was under much stress while in detention as they worried their immediate return home would not be granted, but otherwise their health condition is considered good, according to the shipping firm.

The circumstances under which first mate Yi Yang-chon took photos of Chongjin's port facilities, for which the North Koreans detained the freighter and its crew, are expected to be made known upon the vessel's arrival at the port of Pohang, in North Kyongsang Province, where the freighter is scheduled to arrive at around 3 PM Monday.

DLP Demands Accountability

SK1408051795 Seoul YONHAP in English
0506 GMT 14 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 14 (YONHAP) — The ruling Democratic Liberal Party (DLP) has virtually demanded that top administrative officials dealing with national security and diplomatic policy should be held responsible for the recent incident involving North Korea's detention of a South Korean freighter delivering rice to the communist state.

At a DLP senior members meeting held at the party's headquarters in Yoido, Seoul, the participants decided to ask the government to elucidate details surrounding the North's detention and release of the rice-carrying vessel named the "Samson Venus" as well as to present a set of measures that would prevent the recurrence of such an incident.

Deputy DLP spokesman Kim Hyong-o said after the meeting that the party's position on that issue has already been delivered to the administration by chief policymaker Yi Sung-yun.

The DLP's position at the meeting, which was presided over by Chairman Yi Chun-ku, is perceived by observers as a virtual demand that the government make an apology to the people and that it hold government officials including National Unification Minister Na Ung-pae responsible for the incident.

In a related move, the ruling party plans to convene a full session of the National Assembly's National Unification and Foreign Affairs Committee to debate the government's North Korea policy related to the North's detention of the freighter.

Ship Arrives Back at Pohang

SK1408070495 Seoul YONHAP in English
0659 GMT 14 Aug 95

[FBIS Transcribed Text] Pohang, South Korea, Aug. 14 (YONHAP) — The South Korean rice freighter "Samson Venus" returned to the port of Pohang around 2:30 PM Monday [0630 GMT 14 August], eight days after it was detained at the North Korean port of Chongjin for alleged spying activities.

The freighter along with its 21 crew members arrived at Yongil Bay near Pohang Port after a 28-hour voyage, as it left the North Korean port around 10:00 AM Sunday.

Upon arriving at the outer port, five quarantine officers boarded the vessel in order to take preventive measures against the possible outbreak of epidemics.

Dailies View Apology on Samson Venus Incident

SK1408054595

[FBIS Editorial Report] The following is a compilation of editorials carried by Seoul vernacular dailies on 14 August regarding the ROK Government's message of regret to North Korea over the Samson Venus incident.

The conservative CHOSON ILBO carries on page three an 800-word editorial entitled "'Apology to North Korea' and the President's Taciturnity." The editorial expresses regret over "President Kim Yong-sam's muteness" at a time when the ROK is "continuously being slapped by the North." Pointing out North Korea's arrogance during the rice supply process, the article insists the president, as the authority who holds the responsibility to protect the people and their assets, should have "issued a strong message to North Korea." The paper attributes the government's lack of courage to "the necessity to break the deadlock in the unification issue," the president's ambition to "achieve something during his term in office," and his competitive reaction to Kim Tae-chung's "proposals regarding unification." Noting that the people were "supportive" about the government's "carrot policy" toward the North in the past, the editorial states, however, the ROK should "no longer make a concession to the other side's high-handedness" at the expense of "injuring our people's pride and dignity and damaging the country's interest." The paper concludes that "it is high time that the president say something as a representative of the South" and "protect the people's self-respect" since "our side showed maximum sincerity to the North."

The moderate CHUNGANG ILBO carries on page five a 600-word editorial entitled "The Lessons of Samson Venus." Commenting on the repatriation of the ROK rice-carrying vessel and the resumption of rice aid, the editorial writes: "Taking a wide view of the incident, it is more important to rekindle the flame for North-South reconciliation." The editorial, however, states that the government should "learn some lessons from this incident." First, the editorial suggests "the government should not reveal loopholes with which the North can trump up charges, and should respond to the North calmly on certain principles." Second, the editorial insists the government should pursue its policy toward the North "on the basis of the people's consensus." The editorial also comments: "The recent detention incident has aggravated public opinion. This will not benefit the North either."

The moderate KYONGHYANG SINMUN carries on page three a 700-word editorial that deplores "how can such an unfair and dumbfounded incident take place?" The editorial insists "the North's forced detention of the ship and its crew members is tantamount to a provocation against us" and "will only amplify our people's mistrust and rejection against the North Korean authorities." Denouncing the government for its dubious attitude toward the North, the editorial observes: "With ambiguous optimism, reckless pork-barrelling policy, and groundless belief of the other side's goodwill, we will only become the North's plaything as well as its slaves if we continue to yield to the North's blackmail and threats, such as the remark on 'turning Seoul into sea of fire.'" The editorial concludes: "Only when we assume the stance that we can choose the worst option, will we have the initiative."

Unification Official on Samson Venus Incident

SK1408065395 Seoul SEOUL SINMUN in Korean 14 Aug 95 p 6

[Interview with ROK Vice Unification Minister Song Yong-tae by unidentified reporters on 13 August — place not given; first paragraph is SEOUL SINMUN introduction]

[FBIS Translated Text] On 13 August, Vice Unification Minister Song Yong-tae held an interview with reporters after his announcement of the release of the ROK rice-carrying vessel "Samson Venus" and its 21 crew members who were detained by North Korea, with the settlement of the North-South working-level contact in Beijing.

[SEOUL SINMUN] Will the third round of the North-South vice ministerial-level talks resume in the wake of the settlement of the North-South working-level contact?

[Song] The recent working-level contact only discussed the return of the Samson Venus and its crew members. The North and South reached no agreement on when to hold the third round of talks. However, Kim Hyong-ki, chief North Korean analyst at the National Unification Board, will remain in Beijing for the time being and discuss holding the third round of the talks.

[SEOUL SINMUN] What was most difficult part in the bargaining for their repatriation?

[Song] The North side demanded that our side mention "premeditated espionage activities" in the letter of apology. We could not accept this. Our side admitted that Mr. Yi Yang-chon took pictures and violated the North side's law and adhered to our earlier stance that we will only express regret over such an incident, thus arriving at the agreement with the North.

[SEOUL SINMUN] What about the issue on the provision of the remaining rice?

[Song] We plan to dispatch the Duyang Brave, which has been waiting for departure after finishing loading work in Kwangyang. This follows the spirit of contributing to the promotion of future North-South relations by sincerely implementing the contents agreed to between the North and the South. In addition, we could not delay the departure of the ship because the loaded rice would go bad if the ship was kept in port any longer.

[SEOUL SINMUN] What was the motive behind the navigator taking pictures?

[Song] We plan to launch an investigation to get to the bottom of the incident. Judging from various conditions, I think he committed a personal mistake.

[SEOUL SINMUN] Do you plan to reprehend those who were responsible for educating crew members?

[Song] The relevant organ educated crew members twice. There was a lesson that they should cooperate with the North because the North will seal the camera prior to their entry into North Korea. However, we plan to fully educate crew members in the future.

North Said Denying PRC Ships Tumen Access

SK1208033795 Seoul YONHAP in English 0256 GMT 12 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 12 (YONHAP) — Relations between North Korea and China are reportedly worsening as the former is banning Chinese vessels from sailing through the mouth of the Tumen River, giving birth to worries that the Tumen River economic zone project, propelled by the United Nations Development Programme (UNDP), may be hindered.

In its second quarter country report, the European Intelligence Unit (EIU), a British economic information survey company, said the North Korean regime is greatly concerned about the possibility that if Chinese ships are allowed to enter into the East Sea via the Tumen River, foreign investors would prefer the Chinese provinces of Jilin or Heilonjiang to the North's Najin-Sonbong Free Trade and Economy Zone, the Korea Trade and Investment Promotion Agency (KOTRA), citing the report, said on Saturday.

The EIU report noted that China is suspending its investments in North Korea as a retaliatory step against the North's ban on its sailing rights in Tumen River.

The reports forecast that the Chinese Government may stop sending food and crude oil aid to the North as stronger punitive measures.

Apart from that, North Korean People's Army Chief of General Staff Choe Kwang insisted on North Korea's territorial rights for over two-thirds of Mt. Paektu's "Chonji" Lake during his visit to Beijing last June, the EIU's report noted.

In this connection, the Chinese Government, deeming Choe's persistence as a plot to draw more food and oil assistance, is reluctant to make any concessions on the issue, the British report said.

Another Rice-Laden Freighter Departs for North

SK1308081695 Seoul YONHAP in English
0808 GMT 13 Aug 95

[FBIS Transcribed Text] Yosu, South Korea, Aug. 13 (YONHAP) — A South Korean freighter carrying 10,000 tons of rice left Yosu Port at 1:10 PM [0410 GMT] Sunday for North Korea's western port of Nampo.

"Brave" of Dooyang Shipping Co. obtained the permit for the departure from a branch of the Korea Maritime and Port Administration earlier the day.

The 11,864-ton-freighter is scheduled to arrive at Nampo Port at 4:00 AM on Tuesday [1900 GMT 14 August].

Under the inter-Korean agreement reached last month, South Korea has already delivered 75,000 tons of rice aid to the North and still has to deliver the remaining 75,000 tons of rice.

Shortly after North Korea released Sunday morning another rice carrier "Samson Venus" that it had detained for spying charges, the government gave the Dooyang "Brave" the departure permit.

Reportage on Shipping More Rice to North

Rice Carriers Sought

SK1408033295 Seoul YONHAP in English
0305 GMT 14 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 14 (YONHAP) — The Maritime and Port Administration has urgently asked shipping companies to get their ships ready to carry rice to the North in case delivery of scheduled rice aid is accelerated.

The administration said it has not yet received any official notification about the schedule of rice deliveries from the Ministry of National Unification, but that it expected an earnest rice delivery would be advanced from originally scheduled the end of this month.

The administration asked only national shipping companies for use of their freighters and expects that the ships would be prepared to sail within the week.

On Sunday [13 August], North Korea released the South Korean rice freighter "Samson Venus" which it had detained for allegedly spying, and the South Korean Government subsequently decided to resume rice aid to the North.

South Korea has already delivered 75,000 tons of the promised 150,000 tons of rice to the North.

Official Denies Plans

SK1408065595 Seoul KBS-1 Radio Network
in Korean 0600 GMT 14 Aug 95

[FBIS Translated Text] A National Unification Board [NUB] spokesman revealed on 14 August that the government is not examining the issue of providing additional rice to the North other than the 150,000 tonnes of rice it plans to provide.

NUB spokesman Kim Kyong-ung denied the reports that the government will consider providing additional rice to the North in accordance with the North's attitude at the third round of Beijing talks and stated that there were no behind-the-scenes agreement regarding this matter.

Spokesman Kim Kyong-ung said that up until now the correct time and agenda of the third round of Beijing talks have not been decided upon at the South-North working-level negotiations.

Kim Hints at Rice Aid

SK1408094595 Seoul YONHAP in English 0935 GMT 14 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 14 (YONHAP) — President Kim Yong-sam on Monday gave a strong indication that his government will continue to take conciliatory measures toward North Korea and provide more rice aid to the North despite the latest hitches in inter-Korean relations.

"Both South and North Korea should not indulge in delight and disappointment in quick alteration over trivial matters but endeavor to build up mutual trust from a macro perspective and for the sake of the grand cause of national unification," Kim said.

President Kim made the remarks in a special interview with THE KOREA HERALD on the occasion of the 42nd anniversary of the English language daily based here.

Kim, however, warned that North Korea should refrain from any actions that might harm the mood for inter-Korean dialogue.

Noting that Seoul decided to offer rice aid to North Korea "out of love for the brethren and out of a wish to forge confidence between the two Koreas," the South Korean leader said, "the decision on whether or not to provide more rice aid to the North will be made carefully in accordance with this spirit."

Speaking to the daily on the eve of the 50th anniversary of Korea's liberation from Japanese colonial rule, Kim expressed strong displeasure with Japan's attitude on its wartime past.

"I regret the issue of recognizing the past history is standing in the way of the development of South Korea-Japan relations," Kim said.

The president looked especially displeased with a series of remarks made by Japanese politicians defending Japan's wartime role and the parliamentary resolution which he said lacks substance.

Glossing over and any beautification of its history cannot be of any help to Japan itself, Kim was quoted as saying in the interview which was published in the daily's Tuesday editions.

Commenting on the ruling party's candidate for the next presidential election, Kim said that the candidate should be armed with not only "morality" but also "sound judgment and strong leadership."

Kim stressed that sound judgment and strong leadership are essential in view of the reality of national division. "For our country, nothing is more important than inter-Korean affairs. This is the reason why we need a strong leadership and a leader with not only experience but also good judgment and decisiveness."

Kim said that his priorities in the second half of his presidency will be to help South Korea properly deal with the broad changes in the situation in the Northeast Asia and to lay a foundation for reconciliation with North Korea and national unification.

Red Cross Urges Resumption of DPRK Talks

SK1208014295 Seoul YONHAP in English 0123 GMT 12 Aug 95

[FBIS Transcribed Text] — Seoul, Aug. 12 (YONHAP) — The (South) Korea national Red Cross urged Saturday its North Korean counterpart to resume their suspended talks as early as possible to solve major pending issues including the reunion of separated families living in both halves of Korea.

In a statement marking the 24th anniversary of the South Korean Red Cross' proposal to hold inter-Korean Red Cross talks, President Kang Yong-hun also demanded the North make humanitarian efforts to gain the release of some 400 South Koreans, including the crew of the " Usong 86" fishing trawler, who have been abducted and taken to North Korea.

Kang also called for the North to immediately return the rice freighter "Samson Venus" and its 21-member crew still being detained at the North Korean port of Chongjin.

"The separated family issue is a very important national task which cannot be postponed any further," Kang emphasized. "Red Cross personnel from both sides of Korea must exercise their humanitarian spirits by seeking ways to reunite the divided families."

Kang said that he expects the North Korean Red Cross will accept the proposal offered last year by its South Korean counterpart to hold meetings on a Red Cross presidential or vice presidential level at the truce village of Panmunjom.

No Agreement on 3d Round of Talks in Beijing

SK1408103395 Seoul KBS-1 Radio Network in Korean 1000 GMT 14 Aug 95

[FBIS Translated Text] Working-level contacts between North and South Korea continued today, but the two sides reportedly failed to reach an agreement on the date and agenda of the third round of Beijing talks. Spokesman Kim Kyong-ung of the National Unification Board said today that North and South Korea failed to agree on the date and agenda of the third round of talks between the authorities of the North and the South, and that Kim Hyong-ki, the ROK chief delegate and deputy national unification minister for information and analysis, returned to Seoul on the afternoon of 14 August.

KEDO Land Survey Team To Visit North

SK1408113495 Seoul YONHAP in English 1121 GMT 14 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 14 (YONHAP) — A light- water reactor land survey team of the Korean Peninsula Energy Development Organization (KEDO) is set to arrive in Pyongyang Tuesday for field survey of a candidate reactor site.

The 16-man KEDO team led by Sol Rosen of the office of U.S. nuclear ambassador will visit the Sinpo area of North Hamgyong Province through Aug. 22.

The team comprises two American experts and four each from South Korea and Japan plus four officials from the service contractor, the Burns and Roe Co. of the United States, and an interpreter.

The four South Korean participants include Kang Yun-kwan of the Office of the Planning for the Light-Water Reactor Project and Yi Chong-chae of the Korea Electric Power Corp.

Upon the survey, the team will meet in Seoul on Aug. 23-25 to work out a joint report on the site survey.

Students Depart for North To Attend Festival

SK1408031995 Seoul YONHAP in English 0236 GMT 14 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 14 (YONHAP) — Two female South Korean students will arrive in North Korea from Berlin Monday to attend a meeting of the Pomchonghaknyon, a National Alliance of Youths and Students for the Country's Unification outlawed in South Korea, slated at the truce village of Panmunjom Tuesday, Hanchongnyon, the Korean Federation of General Student Councils, disclosed Monday.

Hanchongnyon chairman Chong Tae-hung, chairman of the Korea University student council, said that the duo, Chong Min-chu from Inchon University and Yi Hye-chong from Catholic University, have flown to Pyongyang from Berlin, along with Choe Song-nam, chief of the (South-North) joint secretariat of the national alliance based in Berlin, to attend the alliance's first central committee meeting slated for Tuesday at Panmunjom.

Following the meeting, the two students will return home through Panmunjom, Chong added.

The chairing groups of the alliance agreed last April to convene its first central committee meeting at Panmunjom, Chong said.

Hanchongnyon was scheduled to hold a press conference at Seoul National University later Monday to disclose the student's motives and the itineraries of their visit to North Korea.

The police, meanwhile, plan to investigate members of Hanchongnyon and the alliance involved in the students' visit to the North, and may prosecute them for violations of the National Security Law, which bans visits to North Korea without prior approval from the government.

Overseas Koreans Polled on Hope for Unification

SK1208062895 Seoul YONHAP in English 0508 GMT 12 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 12 (YONHAP) — Ethnic Koreans living in the United States aspire for the unification of their homeland more ardently than their brethren in Korea, Japan and the Commonwealth of Independent States (CIS), a recent opinion survey announced Saturday.

The poll, conducted June 2-July 5 by Korea Survey Poll (Gallup) in a contract awarded by the Information Ministry, interviewed a total of 2,200 Koreans — 1,000 within Korea and 400 in each the United States, Japan and the CIS.

Of the respondents in the United States, 65.6 percent replied unification should be achieved through any means possible, while only 57.7 percent of the pollees in South Korea, 48 percent in Japan and 31.5 percent in the CIS felt similarly.

Also in the survey, conducted in observance of the 50th anniversary of the nation's liberation, 69.2 percent of those questioned in the United States said they believe the spouses of their children should always be ethnic Koreans.

The percentage was 72.7 percent of those South Koreans questioned, and 33.8 and 48.9 percent, respectively, when it came to those in Japan and the CIS.

As to the ability to use the Korean language, up to 92.1 percent of the respondents in the United States said they can speak Korean. The ratio was 58.4 percent among those interviewed in Japan and 65.8 percent in the CIS.

Japanese Minister 'Retracted' Remarks on War

SK1208030195 Seoul YONHAP in English 0241 GMT 12 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 12 (YONHAP) — Minister Yoshidaka Kawamura from the Japanese Embassy in Seoul visited the Foreign Ministry Friday [11 August] to announce that Japanese Education Minister Yoshinobu Shimamura retracted his controversial remarks regarding Japan's role in World War II, Foreign Ministry Spokesman So Tae-won said Saturday.

Spokesman So quoted the Japanese minister as saying that Japan's Chief Cabinet Secretary Koken Nosaka held a news conference Friday to clarify that Shimamura withdrew his remarks which triggered 'misunderstandings'. The Japanese minister met with Director General Kim Ha-chung of the Asia-Pacific Affairs Bureau.

The Japanese minister said that Shimamura also issued a statement clearly withdrawing his remarks, according to So.

Kim meanwhile announced the South Korean Government's deep regret over the historically distorting remarks which were made by the incumbent Japanese education minister, saying that a correct understanding of history is essential to the establishment of a future-oriented relationship.

Kim also urged the Japanese minister to make every effort to prevent such an incident from distorting history, according to the spokesman.

Japanese Envoy on Remarks

OW1208055395 Tokyo KYODO in English 0517 GMT 12 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 12 KYODO — A Japanese embassy official in Seoul gave South Korea's Foreign Ministry on Friday [11 August] his nation's response concerning a Japanese politician's remarks questioning the need for Japan to repeat apologizing for its World War II actions, embassy officials said Saturday.

Shortly after Yoshinobu Shimamura was named as education minister Tuesday, and just two months after the passage through the Diet of a "no-war" resolution, he questioned the need for Japan to apologize again and again for its wartime aggression, prompting a series of negative reactions from several Asian countries, including South Korea.

The embassy officials said Yoshitaka Kawamura, a minister at the embassy, gave Kim Ha-chung, head of the ministry's section dealing with Asia-Pacific affairs, a transcript of Friday's press conference by Chief Cabinet Secretary Koken Nosaka as well as a record of comments by Shimamura.

At the press conference, Nosaka said he had cautioned Shimamura over his remarks and that Shimamura had apologized and "withdrew" his remarks.

Kawamura requested South Korean "understanding of the real meaning in Shimamura's statement," the officials said.

They said Kim told Kawamura that the South Korean Government considers Shimamura's remarks as "very regrettable."

They quoted Kim as hoping such comments would not be repeated.

Kim Yong-sam Discusses Relations With Japan

OW1308233495 Tokyo ASAHI SHIMBUN in Japanese 9 Aug 95 Morning Edition p 8

["Summary" of remarks by ROK President Kim Yong-sam in an interview with ASAHI SHIMBUN Managing Editor Akihiro Kamizuka at the president's office in Seoul on 8 August]

[FBIS Translated Text] Seoul, 8 Aug — President Kim Yong-sam's interview with ASAHI SHIMBUN is summarized below:

Japan-ROK Relations

I have emphasized the need for Japan-ROK relations to be future- oriented since my first days in office, and have made great efforts toward the realization of it. Japan and the ROK, which share common values on democracy and the market economy, must solidify their mutual trust relationship, and must cooperate closely with each other toward the Asian-Pacific era of the 21st century and toward the stability and prosperity of this region.

In order to build the relationship into a future-oriented one, the two countries should extend the base of their bilateral relations by expanding exchanges in various areas — at the level of national governments, local governments, and the private sector —, and should further invigorate cooperation in the areas of politics, diplomacy, economy, culture, and science and technology. But I sometimes find that differences of views on history work as impediments to further progress in relations, and that irritates me. If we want to establish mature and future-oriented bilateral relations, it is important that we have a correct understanding of history.

Rectification of the trade imbalance between Japan and the ROK is another important issue that needs to be resolved urgently.

Since the start of the civilian-run government (Kim Yong-sam government), I think Japan-ROK relations have been very good. Since I took office, I have met with Japanese prime ministers five times and have had talks with them over the phone 15 times. That can be used as a measure of how good relations have been.

Understanding of History: As I have said time and again, it is more important than anything else to have a correct understanding of history if we want to build up Japan-ROK relations in a future- oriented way. To do that, we will have to establish the base from which to look squarely into the past, and then will have to cooperate with each other toward the future. It will not serve any purpose to the Japanese people themselves if they only try to beautify the history with false words, or to ignore it.

Michio Watanabe, former deputy prime minister and foreign minister, made a remark (about the history of Japan occupying Korea), but a new Japan-ROK relationship will be possible only if the Japanese humbly reflect on their invasion of Korea and other acts of aggression they committed, and recognize the fact that Japan made a colony of Korea.

Meanwhile, I am perplexed by the fact that Japan's Diet voluntarily set out to pass a resolution [marking the 50th anniversary of the end of World War II] with the hope of promoting friendly relations with its neighbor countries by announcing Japan's correct understanding of history, but the resolution ended up a washed-out and inadequate version. After all, it was not something which the ROK or China or any other country which had lived under the forced rule of Japan, had asked for.

The Old Governor General's Office: The building will be taken down on 15 August. Before I came to office, I recall that I used to feel unpleasant every time I passed before that building. Young students felt the same way. Since I assumed office, opinion polls have been conducted many times, and a majority of the people have always said the building should be taken down. As long as the building remains, the people will recall their life under colonial rule, and thus the building will keep on inciting anti-Japanese emotions. There is no other choice but to take it down in order to make Japan-ROK relations future-oriented. If the old Governor General's Office Building is removed from Kyongbok Palace (the palace of the Yi dynasty) and the palace buildings are restored, the people's feelings will come to change substantially.

The Emperor's Visit to the ROK: The emperor's visit to the ROK will be a good chance to confirm anew the friendly relationship of the two countries, and will have an important, symbolic meaning. That being the case, the visit should be made in an atmosphere wherein the people of both nations will welcome it. The people of the two nations need to continue their efforts to create that atmosphere. Particularly, Japan's efforts are necessary. It is extremely undesirable that Japanese politicians or some of the Japanese people make remarks which provoke the feelings of the Korean people. This matter depends entirely on the attitude of the Japanese people.

Joint Hosting of the World Cup: The ROK has the history of hosting the 1988 Seoul Olympics and other international sports events very successfully, and it has the capability and confidence to make the 2002 World Cup Soccer Tournament a success. But it would not be appropriate for me, as president, to talk about this (issue) at this point in time.

Education on History and Exchange of People: From the viewpoint that educating the younger generation of people to have a common understanding of history is most important, the concept (of two countries writing up teaching materials for history text books together and conducting history classes in each other's country) is desirable. In the ROK, following the local elections on 27 June of this year, the era of full-fledged local governance has started. The ROK Government will actively provide support to encourage exchanges between local governments of the two countries, as well as the exchanges of young people, who will run the countries in the future.

Trade Imbalance: Korea's trade deficit with Japan last year exceeded $10 billion, and it is expected to top that number this year. Economic problems should be resolved, based on economic logic. But if things keep on going this way, they will turn into a political issue. If Japan wants to become a world leader, it should not give the impression it is inflicting suffering on the people of its closest neighbor country. If Japan gives the impression that it is making things difficult for the ROK economy, that could lead to people thinking that the situation is an extension of the past history of aggression.

In the area of economic relations between the two countries, there is a good possibility for them to cooperate in the capital equipment industry. In order to actively introduce Japan's capital equipment industry into Korea, the ROK Government is stepping up its campaigns to attract the Japanese firms by building industrial complexes exclusively for foreigners, and expanding support in areas of taxation and banking. I hope Japan's investments in Korea will further grow in the area of the capital equipment industry.

South-North Korea Relations

As stated in its Constitution and the Workers' Party of Korea [WPK] platforms, North Korea (the DPRK) — up to now and since the nation was divided up into South and North — makes it a basic policy to unify the Korean peninsula under communist rule. But given the current wave for opening up and given its difficult economic conditions, North Korea will have no choice but to come to change its position on the South.

South-North Summit Meeting: There is now an agreement on the principle of holding the meeting (since before President Kim Il- song's death). The matter will come to be discussed naturally once the power system in North Korea comes into order. Now is not the proper time to decide whether the ROK should propose to hold the meeting. We will watch for signs of change in North Korea.

Rice aid to North Korea is a humanitarian measure to help restore trust and to alleviate tension between the South and the North. The question of whether rice aid should be continued will be viewed cautiously under such a basic perspective.

Nuclear Suspicion: It can be said that the basic framework for resolving the nuclear issue of North Korea was laid out in the U.S.- DPRK agreement in Geneva (in October last year). Under the U.S.- DPRK accord concluded in Kuala Lumpur in June this year, it became clear that the ROK-model light-water reactors will be supplied to the DPRK, and thus the ROK will come to play a central role.

Kim Chong-il Power System: North Korea's situation is uncertain and unstable so much so that the power transfer cannot be made public even after more than a year has passed since President Kim died. It would be difficult to make a prediction on the time when the power transfer will take place. But I think there is no other alternative to the Kim Chong-il system. North Korea is afraid lest reform and liberalization will bring collapse to the system. But a certain degree of liberalization will be inevitable to find a breakthrough to the country's difficult economic problem and to maintain its power system.

Diplomatic Policy

Japan-DPRK and U.S.-DPRK Relations: There is only one place in the world where a legacy of the Cold War remains. That is the Korean peninsula. All the countries in this region should take closely coordinated, common steps so that the tensions on the Korean peninsula may be alleviated and the foundation for peace may be laid. We hope Japan will not proceed in promoting relations with the DPRK even at the expense of sacrificing Japan-ROK relations. We hope Japan will proceed with improving relations with the DPRK after fully discussing the issue with all parties concerned. If Japan runs ahead of the ROK, it will give the impression that Japan does not want the South and the North to be unified and, instead, wants the nation to remain divided into two "Koreas."

The ROK basically is not opposed to the United States developing its relations with North Korea. But it is desirable that the negotiations of Japan and the United States with North Korea will be conducted in the way of making contributions to peace and stability on the Korean peninsula. It is necessary that the improvement of relations with North Korea by Japan and the United States should make progress in "harmony and be parallel" with the improvement of relations made between South and North Korea.

PRC-ROK and PRC-DPRK Relations: Since the ROK and China established diplomatic relations in August 1992, the top leaders of the two countries have exchanged visits, and the two countries' economic relations have become intimate. No doubt, since China started to take an objective and realistic stand on the Korean peninsula question, China and North Korea have become rather alienated from each other, but to view the issue from the perspective of geographical and historical relations, I think China will choose to maintain a certain degree of cooperative relations with North Korea even in the future.

The top leaders of the ROK and China have exchanged visits since the establishment of the countries' diplomatic relations, and have continued to make remarkable progress in relations in such areas as politics, diplomacy, economy, and trade. I am satisfied with the developments in relations, and I think this is making great contributions to the security and prosperity of all of northeast Asia.

Multinational Talks: Since the end of the Cold War, security conditions for the Asia Pacific region have improved, but several factors of instability remain, such as the problem of nuclear arms in North Korea. Consequently, the presence of the United States Armed Forces based on the ROK-U.S. Mutual Defense Treaty and the Japan-U.S. Security Treaty has an important and undeniable meaning for the peace and stability of this region.

On the other hand, insomuch as the conditions of the northeast Asian region have developed toward mutual reliance, it is necessary to pursue the path of holding multilateral talks on security issues among the countries in the region. From such need the ASEAN Regional Forum (ARF) started in July last year, and I welcome that.

Opposition to Nuclear Tests: The ROK has continued a dialogue with the United States in regard to North Korea's nuclear arms issue, and has succeeded in having the U.S.-DPRK accord reached after two years of efforts. All this has been possible because not only the Korean Government, but also the people are so sensitive about nuclear problems. The ROK Government firmly opposes both the resumption of nuclear tests by France, as well as the continuation of nuclear tests by China. The ROK Government wants "a world without nuclear arms," and this is the desire of the people as well. That is the reason the ROK Ministry of Foreign Affairs issued a protest when France announced its plan to resume nuclear tests. We will maintain that position in the future.

Reform of the United Nations: Some people feel negative about the United Nations' role over the past 50 years, but we must not underestimate the contributions it has made in economic and social development, as well as in maintenance of international peace and security. I think the roles given to the United Nations after the end of the Cold War are more important than those at any time in the past.

I recognize the fact that Japan has made contributions to and performed roles in the United Nations in manners appropriate for its national power. But I think the question of whether to add certain countries to the UN Security Council as its permanent members can be discussed only after a consensus is reached on the currently discussed reform of the UN Security Council.

APEC: The Bogor Declaration, adopted at the Asia Pacific Economic Cooperation (APEC) forum in Indonesia last year, provided the basis to liberalize trade and investments in APEC nations. All the member nations should liberalize their trade and investments based on the spirit of this declaration. I think the important task for the APEC conference in Osaka is to establish an action plan to achieve targets toward it.

Ceremony To Mark Liberation From Japanese Rule

SK1408081995 Seoul YONHAP in English
0758 GMT 14 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 14 (YONHAP) — South Korea will observe the 50th anniversary of its liberation from Japanese colonial rule Tuesday in an official commemorative ceremony at Sejong-no Plaza in central Seoul at 9 A.M. with President Kim Yong-sam, dignitaries from three branches of government, representatives from various walks of life, members of the Association of Independence Fighters, ethnic Koreans who reside overseas and some 50,000 citizens attending.

The ceremony being held under the theme "The 50th Anniversary of Liberation, Looking Forward to Unification and the Future," will see the spire on top of the central dome of the former Japanese Governor-General's Office, the symbol of Japanese colonial rule in Korea and now the National Museum building, lowered by cranes. The building is set to be dismantled.

President Kim in his address is expected to discuss the significance of the 50th anniversary of liberation and will stress that true liberation will come when the divided country is reunified. He is expected to set out a basic plan for improved inter-Korean relations, the establishment of a peace regime on the Korean peninsula and to reveal the direction of his national administration during the rest of his five-year tenure in office, including his plan to continue seeking reforms.

On other South and North Korean issues, the chief executive, emphasizing the need for mutual dialogue, will assert that all inter-Korean accords including the 1992 Basic Agreement should be respected if a peace regime is to be set up on the peninsula, and he will urge the North to come forward to the arena of dialogue so as to open a new chapter in relations between the two Koreas, according to his aides.

With regard to the country's relations with Japan, Kim is expected to stress the need for Japan to assume a more sincere attitude if the two countries are to build a mature, neighboring partnership.

Events marking the anniversary will consist of three parts: Pre- ceremony celebrations events from 9-10 A.M., the main commemorative ceremony from 10-10:55 A.M. and post-ceremony celebrations from 10:55-11:10 A.M.

The main ceremony will consist of a commemorative speech by chairman Kim Sung-gon of the Association of Independence Fighters, a performance of "The Light of the East" by four world-renowned Korean musicians, including maestro Chong Myung-hoon, citations on freedom fighters, President Kim's congratulatory speech, singing in unison by all participants of the song of the nation's liberation, three cheers for the nation, and congratulatory flyovers by military aircraft.

Buddhist temples, churches and ships across the country will toll their bells and blow their horns for a minute prior to the beginning of the main ceremony.

In addition, five palaces in the capital (excluding Changdok Palace), the royal tombs and national and public parks across the country will be opened to the public free of charge Tuesday.

A reception will mark the occasion at Kyonghoe-ru Pavilion in Kyongbok Palace at noon Tuesday with 1,000-odd guests expected to attend.

Butrus-Ghali To Visit DPRK via Panmunjom

SK1208072495 Seoul YONHAP in English 0548 GMT 12 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 12 (YONHAP) — United Nations Secretary-General Butrus Butrus-Ghali is pushing ahead with a plan to visit North Korea via the truce village of Panmunjom during early September when he will be visiting Seoul at the end of a UN convention on women's issues in Beijing, a Foreign Ministry spokesman said Saturday.

Ghali is scheduled to visit South Korea for three days beginning Sept. 6, the spokesman said.

Ghali is expected to discuss preparations for the ceremony to commemorate the 50th anniversary of the UN foundation with both South and North Korean officials.

On his way back to New York, where the United Nations is headquartered, Ghali will visit Japan. The Egyptian-born UN secretary-general visited South and North Korea concurrently in December 1993.

President To Reshuffle Cabinet 'Next Week'

SK1408034395 Seoul YONHAP in English 0258 GMT 14 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 14 (YONHAP) — President Kim Yong-sam will stress the principle of solving inter-Korean issues through direct dialogues between the two Koreas, respect for the inter-Korean accords, including the basic agreement on reconciliation and cooperation and the joint denuclearization declaration as well as cooperation with neighboring nations in settling the Korean issue, in his Liberation Day address Tuesday.

He will then reshuffle the ruling Democratic Liberal Party (DLP) leadership and the cabinet next week to prepare for the parliamentary elections slated for next year as well as continue to push his reform policy through the rest of his presidential tenure.

Officials said the shakeup of his cabinet and Chongwadae [presidential offices] staff would be small in view of the need to maintain a consistent policy in the remaining two and a half years of his term.

Prime Minister Yi Hong-ku, Agency of National Security Planning Director Kwon Yong-hae and Chongwadae Chief of Staff Han Sung-su will likely remain in the new lineup, as only those cabinet ministers who will run in next year's elections will be replaced.

But in case Deputy Prime Minister and Finance and Economy Minister Hong Chae-hyong leaves, Chief Presidential Secretary Han would likely fill his shoes, they observed.

One official said Kim would initiate a large-scale cabinet shakeup toward the end of the year in preparation for the coming general elections.

To cope with the restructuring of the opposition camp following the emergence of new parties, such as the United Liberal Democrats (ULD) and the National Congress for New Politics (NCNP), the internal feud in the Democratic Party (DP) and the DLP's need to win in next year's elections, Kim, as head of the ruling party, will reshuffle the DLP leadership and possibly affect Chairman Yi Chun-ku and Secretary-general Kim Yun-hwan.

Sources said Kim would promote Secretary-general Kim to the party's chairmanship in a bid to achieve unity among lawmakers hailing from the Taegu-North Kyongsang area under the leadership of Kim who also hails from that area.

Among the dark horses for the secretary-general's post are President Kim's special political aide Pak Kwan-yong and other "democratic" faction members such as Reps. Sin Sang-u, So Chong-won and Kim Chong-su.

Following Kim's nomination of the new DLP chairman toward the week's end, the ruling party will convene a meeting of the national committee next Monday to formally endorse the nomination.

Then on Tuesday, Kim will name three new key post holders of the party, including secretary-general, after consulting with the new chairman. He will then announce a new cabinet lineup that will include new senior presidential secretaries, late Tuesday or Wednesday.

And on Thursday, he will hold a press conference to outline the policy he will pursue in the latter half of his tenure in office.

When Kim Tae-chung is formally named the head of the NCNP, President Kim will meet jointly or individually the three opposition leaders — Kim Tae-chung, Kim Chong-pil and Yi Ki-taek — as early as next month, or in December after the regular National Assembly session closes at the latest.

New Party Submits National Assembly Application

SK1208062995 Seoul YONHAP in English
0524 GMT 12 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 12 (YONHAP) — Fifty four district-elected lawmakers of the new party, tentatively named the National Congress for New Politics (NCNP), on Saturday submitted to the National Assembly secretariat an application registering themselves as a parliamentary negotiation group and named Rep. Sin Ki-ha its floor leader.

The action followed a caucus the party held at the National Assemblymen's Hall Saturday morning, presided over by Kim Tae-chung, chairman of the NCNP inaugural preparation committee.

The number of parliamentary negotiation groups has thus increased from three - the ruling Democratic Liberal Party, the opposition Democratic Party and the United Liberal Democrats - to four with the NCNP, which has emerged as the major opposition party.

In the caucus, the NCNP adopted a resolution urging President Kim Yong-sam to conduct a thorough probe into the alleged possession of a 400 billion won slush fund by a former president and decided to send a letter to UN Secretary-General Butrus Butrus-Ghali calling upon the world's five nuclear powers, including the United States, to dispose of their nuclear arsenals.

Noting that President Kim's influence is required to properly look into the truth about the alleged slush fund scandal, Kim Tae- chung threatened, "in the event the truth of the allegation is not fully disclosed, we will drag the matter on until the forthcoming general elections and see to it that the ruling camp is damaged by it."

Regarding the issue involving proportional representative lawmakers who have joined the new party without seceding from the Democratic Party, Kim claimed that the current election law depriving such lawmakers of their National Assemblymanship in the event they voluntarily bolt from a party has an "unconstitutional element," adding, "steps to rectify the matter will be sought including the filing of a law suit with the Constitutional Court."

To ask such lawmakers to secede from the Democratic Party is tantamount to asking them to abandon their representativeships and to committing political suicide, Kim maintained while also calling upon the Democratic Party to expel them.

Welcoming U.S. President Bill Clinton's declaration to suspend nuclear tests, Kim asserted, "but this alone is not sufficient. The five nuclear powers should agree to abolish nuclear weapons by an established deadline."

In addition, all the incumbent district-elected lawmakers of his party will be named district chapter chairmen, he added.

Prosecution Denies False-Name Slush Fund

SK1208040095 Seoul YONHAP in English
0327 GMT 12 Aug 95

[FBIS Transcribed Text] Seoul, Aug. 12 (YONHAP) — The prosecution, currently probing into allegations that a former president manages a 400 billion-won slush fund under false or borrowed names, has concluded that no non-real-name accounts holding such a large amount of money actually exist.

The prosecution came to the conclusion at the end of an all-night questioning session with Yi Chang-su, 43, a hotel owner who reportedly first mentioned the existence of non-real-name accounts holding 400 billion won, a senior prosecutor in charge of the probe said Saturday. Yi had proceeded to the prosecution voluntarily Friday evening.

Yi was known to have testified before prosecutors that "I only heard from others of the existence of such accounts. I never knew of any such accounts." He was quoted as saying, "I was told by some 40 to 50 people, between August in 1993 and July last year, that there were accounts holding a huge sum of money stashed away under my name without my knowledge. They offered to help me convert it into real-name accounts."

In one case, Yi reportedly said, he was given an offer from Sin Sang-pae, an owner of a billiard accessories shop, and others in July last year that he would be given 30 percent of the money if he helped them withdraw 104.1 billion won held in accounts opened under his name.

In response to the offer, Yi said, he signed a document in which he was supposed to entrust an American lawyer with the right to withdraw any money allegedly kept in his accounts at all branches of Citibank.

A prosecutor said that Yi became aware of the alleged accounts opened under his name containing a huge sum of money simply on the basis of rumors.

The prosecution is poised to search Yi's home in Pundang later Saturday as part of an effort to determine the authenticity of his testimonies. It plans to look into whether the Apkujong branch of Citibank keeps accounts opened under Yi's name as Yi had been informed by Sin.

Yi, owner of the Greenpia Hotel in Suwon, was originally suspected of having hidden a large amount of money in bank accounts opened under false or borrowed names in order to dodge taxes.

The suspicion was raised as a result of a probe into former Government Administration Minister So Sok-chae's allegation that a former president manages secret political slush fund totaling 400 billion won under false or borrowed names.

Yi admitted that he talked with Sin, Yi Chae-to, a former bank clerk, and Pak Yong-chol, 45, at Sin's store about transferring non- real-name accounts into real-name ones, but denied an allegation that he himself asked them to transfer the money into real-name accounts.

Pak and Yi Chae-to reportedly informed other people about the alleged 400 billion won slush fund and the allegations were eventually conveyed to So Sok-chae, former Government Administration minister, according to the prosecution.

Reaction to Kim Yong-sam Amnesty Announcement

SK1208084095

[FBIS Editorial Report] Local vernacular dailies on 12 August carry editorials and an article commenting on the special amnesty and reinstatement enacted by President Kim Yong-sam on 11 August toward 3,169 persons prior to the 50th anniversary of national liberation.

The moderate TONG-A ILBO carries on page 3 an 800-word editorial entitled "An Extraordinarily Large Special Amnesty." The editorial begins: "The special amnesty and reinstatement enacted by President Kim Yong-sam on 11 August should be accepted as extraordinarily extensive, for the special amnesty and reinstatement includes such political figures as Messrs. Chong Chu-yong, Pak Tae-chun, Pak Chol-on, Chong Mong-chun, and Kim Chong-in, men whose inclusion had been thought impossible. The amnesty even includes public security offenders such as unconverted long-term prisoners and activists of the National Council of University Student Representatives [Chondaehyop]." The editorial notes the positive aspects of such an extensive amnesty for national harmony and for the healing of wounds; it also notes the negative aspects, since the amnesty was granted to those who committed antisocial crimes, such as those involved in the Suso housing scandal under the previous government and those involved in bribery and foreign currency smuggling cases punished under the present government in its reform drive. The paper observes: "The government will hardly be able to command the people's consensus on this." The editorial adds: "At this juncture, when inter-Korean relations are in a delicate situation, the government granted amnesty to unconverted long-term prisoners, which will lead to conflicting appraisals among the people."

The conservative CHOSON ILBO carries on page 3 an 800-word editorial entitled "Major Amnesty Must Be Made To Lead to Great National Harmony." The editorial notes the amnesty gave the greatest benefit to penalized soldiers, businessmen, and politicians by granting them complete reinstatement. It welcomes President Kim's intention to remove the aftereffects of reform and the audit and inspection drive to open a new phase for his government, noting: "We hope the amnesty will bring forth our political scene and the social atmosphere will be filled with greater vitality and harmony."

The moderate CHUNGANG ILBO carries on page 5 a 600-word editorial entitled "The Two Edges of the Special Amnesty on the 50th Anniversary of National Liberation." The editorial notes that the Kim Yong-sam government has granted such a sweeping amnesty from an apparent intention to create a new environment for a fresh start during the latter half of President Kim's term of office, positively appraising it. However, the editorial states: "We are worried how the amnesty and reinstatement of those who were involved in the large corruption cases of two years ago will affect legalism, the people's conception of law, and their law-abiding spirit. Another controversial point could be the partiality between the granting of amnesty and reinstatement to senior public officials, and not granting such benefits to lower echelon government officials and ordinary people who were involved in the same bribery scandals."

The left-leaning HANGYORE SINMUN carries on page 3 an 800-word editorial entitled "The Amnesty and Reinstatement Also Includes Unbecoming Persons." The editorial welcomes the 11 August amnesty and reinstatement, but regrets that the amnesty includes politicians involved in the Suso housing bribery scandal. The editorial also regrets that the amnesty failed to more extensively include labor activists. It concludes: "The right of amnesty, the unique right of the president, should not be abused; however, the president should not be overly passive in executing that right. The government should consider a comprehensive lifting for those involved in political crimes."

The moderate KYONGHYANG SINMUN carries on page 3 a 1,200-word article by reporter Kim Hak-sun entitled "The Significance of Amnesty, Reinstatement." The article notes the extraordinarily extensive feature of the amnesty and reinstatement, which is aimed at "grand harmony," and states: "By also granting amnesty to political figures in the antigovernment camp, thereby risking a political burden, President Kim gave weight to the fresh launch of his government during the latter half of his term in office." The article states: "With this step made for grand harmony, President Kim has broadened his flexibility for managing his political plans. Some interpret his extensive embracing of figures from previous ruling camps to signal his intention to change the direction of his reform drive."

Foreigners To Set Up Securities Companies

SK1208012795 Seoul THE KOREA HERALD in English 12 Aug 95 p 8

[FBIS Transcribed Text] Foreign investors will be allowed to set up joint-venture securities companies with domestic banks and insurance firms after February next year, according to a government plan to restructure the local securities industry yesterday.

Currently, domestic financial institutions and companies affiliated with the nation's 30 largest business groups are banned from establishing joint-venture brokerage houses with foreign investors.

The government has decided to ease the restriction aimed at preventing the concentration of economic power and excessive competition, in order to help joint-venture securities firms strengthening their competitive edge, the Ministry of Finance and Economy said.

The current rule, which bars the participation of large domestic investors, has resulted in causing a problem of inequality between small domestic investors and large foreign partners of a joint- venture brokerage house, it said.

However, banks and insurance firms will be required to meet a set of ministry-set standards to be eligible for establishing a joint- venture securities firm.

Only one joint-venture brokerage house, Dongbang Peregrine Securities Co., is now in business on the domestic market.

According to the securities-industry overhauling program, domestic securities firms and investment trust companies will be permitted to enter each other's territory.

Twenty securities companies with sister investment advising firms will be required to transform them into investment trusts as controlling shareholders by June 1997.

The remaining 12 brokerage houses with no sister investment advising firms will be allowed to set up new investment trust companies and own a majority equity stake in them. Newly established firms will be called investment trust management companies as they will be allowed only to manage entrusted investors' assets.

Securities firms will be free to choose the ownership structure of newly established or converted investment trust firms. A single investor will be allowed to own more than 50 percent stakes or a group of four investors will be permitted to hold 10 to 30 percent stakes each.

Securities firms affiliated with the country's 10 largest business groups, however, will be prohibited from owning more than 50 percent of a newly established or converted investment trust company in a bid to prevent possible side effects from their control on the industry.

The eight existing investment trust companies will be required to split their management and marketing operations to advance into the securities business.

The investment trust firms will be allowed to establish securities firms after July next year, whose net worth should exceed 100 billion won.

In addition, the government will allow securities firms to expand their foreign exchange business necessary for the development of new products and securities transactions.

The government will also encourage the nation's 29 investment advising firms to convert themselves into investment trust firms.

Meanwhile, the Ministry of Finance and Economy will transfer the authority to supervise and inspect investment trust firms to the Securities Supervisory Board. The ministry will have only licensing power.

A trade association comprising investment trusts will be formed by June next year to promote cooperation among member companies and conduct self-regulation.

To prevent possible conflict of interests as a result of the restructuring the government will strengthen the disclosure requirements of securities firms and investment trust companies; beef up the legal obligations for investment trust firms to manage customers' funds well; and put strict restrictions on the amount of funds which investment trust firms will be allowed to invest in stocks of affiliated corporations.

Burma

Suu Kyi: Communication Line Set Up With Junta

BK1108151795 Hong Kong AFP in English 1500 GMT 11 Aug 95

[FBIS Transcribed Text] RANGOON, Aug 11 (AP) — Burma's pro-democracy leader Aung San Suu Kyi said Friday she was very encouraged that her political party had managed to "keep alive the spirit of democracy in the hearts of the people" during her incarceration.

"I've been very much encouraged by the state of the NLD (National League for Democracy) as well as the state of the feelings of the people in general, " she told a press conference held at her residence early Friday.

Aung San Suu Kyi, who spent the month after her release on July 10 being briefed by her colleagues, said that during the six years of her house arrest, she had heard many comments about the state of her political party, generally believed to have become a "spent force."

"I'm happy to tell you that this is not so," she said, adding that her people knew when to remain quiet and when to "reconsolidate their strength."

Aung San Suu Kyi said she was greatly encouraged to find that there was "perfect solidarity" between those who had been allowed to remain in the NLD and those who, "for various reasons," had to leave the organization.

The NLD, co-founded by Aung San Suu Kyi as a pro-democracy movement, gained momentum in 1988 and went on to win the 1990 general elections by a landslide.

But the rulilng military rejected the results and effectively cracked down on what it considered to be its main opposition.

Aung San Suu Kyi told the press that NLD had managed to keep its offices open all over the country and to "discharge our main responsibilities which was to keep alive the spirit of democracy in the hearts of our people."

Noting that August 8 was the anniversary of the democratic movement which started in 1988, she said it was a "sign of maturity and discipline" that the people had remained quiet throughout the country.

"They have indicated understanding that our intention is to get to the negotiating table and nothing should be done that would in any way disturb the process," she said.

She also said that it was very important for the people to remain calm and do nothing that might in any way disturb the process toward negotiation.

"This is the way we hope to progress towards democracy ... with perfect understanding between those of us who have been chosen to lead the democratic movement and the great majority of the people of Burma who wish also to meet that goal as peacefully as possible," she said.

Aung San Suu Kyi said that a line of communications had been established with the military authorities but declined to make further comments saying certain things should not be discussed too early in case it hurt the process.

"For us, it's the most important thing to keep the way clear for negotiations to start," she said.

UWSA Rebels Join SLORC Troops' Offensive

BK1308132795 Bangkok THE SUNDAY POST in English 13 Aug 95 p 1

[Report by Subin Khuankaeo from Chiang Mai]

[FBIS Transcribed Text] About 5,000 soldiers of the United Wa State Army [UWSA] have joined forces with Burmese troops in a new military drive seen by local observers as a joint move to crush Khun Sa's Muang Tai Army [MTA].

They are moving on his stronghold in Doi Lang about five kilometres from the border of Mai Ai district in Chiang Mai.

"It will be a fierce fight as Burma has reinforced its troops and has brought heavy weapons into the area," said one veteran observer.

He was uncertain whether the opium warlord's MTA would be able to withstand the offensive expected in a few days.

Fighting has erupted in Doi Hintang, about 15 kilometres from the border, where Khun Sa's men were ordered to attack Burmese forces and the UWSA which had already crossed into the warlord's area, said an MTA source.

Burmese soldiers are led by 417th Division commander Do Lai Kham while Li Ziru recruited from UWSA is chief-of-staff, the source said.

"Chinese weapons supplied to Burma recently have been moved to be used during the new offensive," said the source, a senior MTA member.

Chairman of the Shan State National Congress Zao Gangade said Burmese forces aimed to eliminate the MTA from the eastern side of the Salween River, a move he said was certain to spark an uprising by Shan Tai Yai people.

"These people will certainly join our forces to fight Burmese forces," Zao Gangade said.

It was a pity the UWSA had joined forces with the State Law and Order Restoration Council [SLORC] to suppress the MTA, he said.

"I would like to remind them that Wa and Tai Yai are both minority groups in Shan State.

"The soldiers who are killed or injured during the fighting are all our children and brothers.

"It is SLORC who will directly benefit from the suffering."

Zao Gangade urged Bangkok to intervene directly in the new round of fighting as the conflict would force thousands of people to flee into Thailand.

In their preparation for the attack, the Burmese troops had in the past accused Thailand of allowing Khun Sa's army to use its territory for troop movements and as a staging ground for raids into Burma.

A Burmese commander had threatened to send his troops into Thailand if Khun Sa's guerrillas continued alleged cross-border attacks into Burma.

The Thai military has denied the allegations.

Khun Sa is facing one of his severest tests. Heroin production from the MTA controlled area is said to have been cut by two-thirds and only one main trafficking route remains.

In an offensive last March against some of Khun Sa's 1,500-strong force in Tachilek, government forces seized 45 camps including three clandestine heroin refineries.

Rangoon Troops Accused of Killing Porters

BK1408010995 Bangkok THE SUNDAY POST in English 13 Aug 95 p 4

[FBIS Transcribed Text] Burmese troops sent to eastern Kayah State to fight an ethnic insurgency have allegedly tortured and slain several villagers who were forced to act as porters for munitions, Burmese dissidents said in a statement Friday.

The All Burma Students' Democratic Front (ABSDF) said it had documented at least four cases in which troops under the Burmese military junta, officially known as the State Law and Order Restoration Council (SLORC), had tortured and killed porters who were unable to carry loads assigned to them.

"SLORC troops committed gross human rights violations on the porters who were forced to serve under military purpose," said the ABSDF statement.

Rangoon sent some 2,000 soldiers across the Salween River into Kayah State in June and attacked supporters of the ethnic-based Karenni National Progressive Party despite having earlier agreed to a ceasefire with the movement, earlier reports said.

It is believed the offensive was launched to secure logging routes in the state which has rich timber resources, the reports said.

About 1,500 villagers, including women, have been drafted into portering service against their will by Burmese soldiers in areas around Loikaw, the capital of Kayah State, since June 26, the ABSDF said.

According to the statement, one 18-year-old ethnic Shan student was shot dead and his body dumped into a stream near the Thai border when he was unable to carry his assigned load while another porter was killed and his body shoved off a cliff when he was too exhausted to shoulder artillery shells.

Another student was starved to death at a work site, while a 55-year-old prisoner from Mandalay was beaten after he collapsed carrying a sack of rice, the statement said.

Porters who are drafted into military service are given only boiled rice and condensed milk to eat and are not given any protection against the weather. Many suffer from malaria diarrhea and other diseases but are still forced to carry heavy loads without medical treatment, the statement added.

Junta Forces Villagers To Build Gas Pipeline

BK1208145095 Bangkok THE NATION in English 12 Aug 95 p A2

[FBIS Transcribed Text] Burma's military junta is forcing villagers from Heinze Island to help build a gas pipeline linking Yadana gas field in Matarban Gulf to Thailand's Rat Buri province, according to a statement released yesterday by the All-Burma Students' Democratic Front.

The Front claimed 300 people from 10 villages are being forced by the State Law and Order Restoration Council (Slorc) to work in an environment where medical supplies are insufficient.

The Front said anyone who does not wish to work on the pipeline has to hire another civilian for between 8,000 and 10,000 kyats per month to take his place.

Slorc, it added, has been using Heinze Island as its logistical base for regional security and building equipment storage.

The new Light Infantry Regiment 273 has been dispatched to provide security in the villages of Kan Bauk and Ohn Pin Gwin for Total, the French company that is among shareholders in the multi-billion-kyat gas supply project. Other shareholders are the American firm Unocal and Petroleum Authority of Thailand Exploration and Production Co Ltd.

Brunei, Malaysia & Singapore

Malaysia

Officials on Clinton's Veto of Bosnia Embargo

Mahathir Regrets Decision

BK1408023295 Kuala Lumpur SUNDAY STAR in English 13 Aug 95 p 2

[FBIS Transcribed Text] Sungai Petani — Datuk Sri Dr Mahathir Mohamed expressed regret that President Bill Clinton has vetoed a U.S. Congress decision to lift the arms embargo in Bosnia-Herzegovina.

He said he was sad that Clinton had made the move amidst reports stating that Washington had compelling evidence that between 2,000 and 2,700 Bosnian civilians were machine-gunned to death soon after the safe area of Sebrenica fell to the Serbs last month.

He said this when commenting on news reports that Clinton vetoed on Friday legislation that would unilaterally lift the UN arms embargo against Bosnia.

On the decision by Bosnian Prime Minister Haris Silajdzic to withdraw his resignation, Dr Mahathir said he was happy with the move made by his Bosnian counterpart.

In Kuala Lumpur, Foreign Minister Datuk Abdullah Ahmad Badawi said Clinton's veto showed that the United States condoned Europe's lack of firmness in tackling the Balkan crisis.

He said Clinton should have affirmed the call by Congress for a more forceful action to seek a settlement in Bosnia-Herzegovina but had failed to do so.

"By right, with Congressional support, President Clinton should be able to act strongly and firmly on the issue of Bosnia-Herzegovina," Abdullah said.

Foreign Minister Regrets Action

BK1208084995 Kuala Lumpur Voice of Malaysia in English 0800 GMT 12 Aug 95

[FBIS Transcribed Excerpt] President Bill Clinton has vetoed legislation that will unilaterally lift the UN arms embargo against Bosnia. [passage omitted]

In Kuala Lumpur, Malaysian Foreign Minister Datuk Abdullah Ahmad Badawi said Clinton's action has shown the world that the UN condones Europe's lack of firmness in tackling the Balkan crisis. He said Malaysia regretted that Clinton had vetoed a decision taken by Congress with more than two-third majority, which reflects the American people's agreement that the UN lifts the arms embargo on Bosnia.

Commentary on Japan's Delaying Tactic on EAEC

BK1108124395 Kuala Lumpur Voice of Malaysia in English 0810 GMT 11 Aug 95

[Station commentary]

[FBIS Transcribed Text] Efforts to set up the East Asia Economic Caucus, EAEC, will continue despite moves to delay its formation. Japan, as expected, has come out with a new move by insisting that it needs to obtain the consensus of the Asia Pacific Economic Cooperation, APEC, members before deciding whether to join the EAEC.

As the country that mooted idea of the caucus, Malaysia does not understand the decision made by the Japanese Government. This is because previously it said that it would accept if ASEAN agreed. Now that ASEAN, including Vietnam, has agreed, Japan brings APEC in.

Japanese Foreign Minister Yohei Kono had told a news conference after meeting ASEAN foreign ministers in Brunei recently that Tokyo was still studying Japan's participation in the EAEC and wanted APEC's consensus before making a decision.

This had resulted in Prime Minister Datuk Sri Dr. Mahathir Mohamed, who initiated the call for the formation of the caucus four years ago, saying that Japan is actually not free in this matter. It is under the control of the United States, and the United States does not allow Japan to join the EAEC. After initiating the call for the formation of the caucus, Malaysian officials have been trying to convince their counterparts from other countries of the objective and structure of EAEC.

It was later adopted as an ASEAN initiative with the aim of enabling East Asia countries to discuss issues to help least developed countries in the region to reconstruct. Apart from that, it also aimed to boost trade and economic cooperation in the East Asian region. However, a few countries failed to realize that the caucus will not be formed into an institutionalized organization but merely a loose consultative forum which will continue to have dialogues with trading partners like the United States, the European Union, and others.

Actually, there are a few countries outside the region which endorsed the proposal, including Australia, Canada, and Finland. They did not see that EAEC as an investment to greater cooperation with nonmembers or a club that excludes others. These countries understood that EAEC will not trade with itself, and it will not give trade privileges to its members as far as the setting up of the caucus does not depend on what Washington or Tokyo says, or whether there will be genuine and common interest among countries in the region to develop it.

This is especially so when Malaysia has the support of China, which has been its strongest allies outside ASEAN.

Premier, Others Criticize Report on Corruption

BK1208112995 Kuala Lumpur THE STAR in English 12 Aug 95

[Report by Mergawati Zulfakar, Shamsul Akmar, Anthony Tan, and Farid Jamaludin — received via Internet]

[FBIS Transcribed Text] Pedu — Datuk Sri Dr Mahathir Mohamed expressed his disgust at Western critics who always accuse Asians of being corrupt when such practices are also rampant in their countries.

The Prime Minister said these people could only perceive non-Western countries and governments as corrupted and believed that they themselves were members of the superior race which was above such practices.

"They only see other people as corrupted but if they were to look in the mirror, they will see that they are more dirty," he said yesterday after opening the Desa Utara Resort here.

Dr Mahathir was commenting on an article in the latest edition of Fortune magazine which ranked Malaysia sixth among 11 Asian nations sampled for most corrupt practices affecting American investors.

The article, accompanied by a mock barometer called Asia Corrupt-O-Meter with a scale of one to 10, placed China and Indonesia at 7.31 followed by India at 7.00, Philippines at 6.59, Thailand at 5.88 and Malaysia at 4.64.

Below Malaysia were Taiwan, South Korea, Hong Kong, Japan and Singapore as the least corrupt.

It rated corruption in North America, Europe and Australia as averaging at 2.12.

Dr Mahathir said he failed to understand why the magazine did not make comparisons with European countries.

"We know how many ministers in Europe who are corrupted; French, Italians, British...

"Why not put them together?... After all the United States is not so clean compared with Singapore," he said.

Asked whether he regarded the report as baseless, Dr Mahathir said he would not say so.

"But to generalise Asian corruption... what about European and American corruption? What about their Congressmen who received a lot of things from the private sector?" he asked.

Acting UMNO [United Malays National Organization] Youth chief Datuk Nazri Aziz said there was no need to entertain the article, adding that the Western media would continuously have nothing good to say about Asian nations.

However, the movement's secretary Arzmi Abdul Hamid said the article was malicious as it placed Malaysia in bad light internationally.

National DAP [Democratic Action Party] Socialist Youth chairman Lim Guan Eng said such articles should be viewed in a positive manner as corruption existed in Malaysia.

He said the move by Deputy Prime Minister Datuk Sri Anwar Ibrahim to direct the Treasury not to entertain share and tender applications from firms using UMNO's name was a move in the right direction.

"However, one single effort without collectivity among other ministers will not achieve the desired effect. Only an integrated effort will," he added.

Mahathir Threatens Action Against Muslim Group

BK1108132195 Kuala Lumpur UTUSAN MALAYSIA in Malay 10 Aug 95 p 2

[FBIS Translated Text] Kuala Lumpur, 9 Aug — The government may take action against the anti-Hadis [prophetic traditions] group similar to that taken against the now-banned Al-Arqam Muslim sect movement if its activities create problems for the country, Datuk Sri Dr. Mahathir said yesterday.

He said, however, that the situation had not reached a stage that warranted such action, as there were other ways to resolve the matter.

"We have to fight these people and explain to the public the beliefs and teachings of the Sunnah Wal Jamaah [orthodox Muslims].

"The people will be confused if we allow the propagation of such views," he told journalists after attending the national celebration of the prophet Mohammad's birthday at the National Stadium in Kuala Lumpur.

Present at the ceremony under the theme of "Qualified people are vision's goal" were Paramount Ruler Tuanku Ja'afar and his consort Tuanku Najihah.

Mahathir was responding to Tuanku Ja'afar's speech at the ceremony, which called for prompt action to check anti-Hadis activities in order to prevent Muslims from being led astray. Tuanku Ja'afar has said that the anti-Hadis teachings is not only dangerous, it is also wrong and has deviated from the true teachings of Islam.

Mahathir said that the activities of the small anti-Hadis group should be stopped immediately so that the people will not be influenced and confused by their allegations.

Mahathir said that the government will continue to monitor the activities of this group to ensure that no one will try to use the Islamic religion to confuse the people.

Asked for his views on Dr. Kassim Ahmad, who is said to be one of the prominent figures of the anti-Hadis group, Mahathir said that Kassim should correct his stand and make a clear statement to clarify his religious beliefs. Mahathir also rejected the group's proposal for a dialogue on the anti-Hadis matter.

Asked whether UMNO [United Malays National Organization] would act against Kassim, a member of the party, Mahathir said that the matter was not connected to party politics, but it was the government's responsibility to deal with it.

Mahathir, who is also UMNO president, said UMNO would not defend Kassim if his religious stand was found to be wrong.

"Even though a person is a member of UMNO, he remains guilty if he is found to be wrong. UMNO is a political party. If his religious stand is wrong, then we still say that he is wrong," Mahathir added.

Cambodia

Khmer Rouge Commentary Views Christopher Visit

BK1408041195 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 13 Aug 95

[Unattributed commentary: "The United States and Communist Vietnamese Rushed to Phnom Penh Because They Are Being Defeated in the Struggle Waged by the Cambodian Nation and People"]

[FBIS Translated Text] On 4 August, Warren Christopher came to Phnom Penh and went further to Vietnam. On 8 August, Le Duc Anh, criminal ringleader of the communist Vietnamese war of aggression, also came to Phnom Penh.

The question is: Why have the criminal ringleader of the communist Vietnamese and the alliance's chief executioner rushed here?

Obviously, they have come because they are in trouble. Without such a life-or-death matter, they, especially U.S. Secretary of State Warren Christopher, would never come.

What is the life-or-death matter that has bothered them? It is the U.S. strategy of brown nosing communist Vietnam in its offensive against Cambodia, which is falling apart and their two-headed proteges who are opposed, rejected, and being badly beaten up by the Cambodian people.

Since July 1990, the United States, the chief executioner of the alliance, has joined with communist Vietnam in implementing its arch criminal strategy. They, together with the UNTAC [UN Transitional Authority in Cambodia] and the alliance, helped communist Vietnam destroy the Paris agreements. They did not monitor the withdrawal of Vietnamese forces from Cambodia. They destroyed the four-party national reconciliation in a systematic manner and then arranged a two-party one by merging the U.S. puppets with communist Vietnamese puppets. They maintained the whole of the communist Vietnamese puppet regime both in military and civilian aspects, and then arranged a farcical election for the United Nations to give a stamp of approval to the communist Vietnamese puppet regime to allow communist Vietnam to kill the Cambodians by all means.

But this insane strategy is being smashed to pieces by the communist Vietnamese. That is, the FUNCINPEC [National United Front for an Independent, Peaceful, and Cooperative Cambodia], Buddhist Liberal Democratic Party, and the ANKI [National Army of Independent Cambodia] have all collapsed. A part of them became puppets of the communist Vietnamese puppets [words indistinct] such as Ranariddh and Ieng Muli. The other part was smashed and purged by communist Vietnam and its puppets, such as Sam Rangsi, Son Sann, and Son Soubert. Even the king has been locked up in an iron cage. As for the stinking U.S.-style democracy and human rights that they spent so much money, energy, and time trying to instill among the communist Vietnamese puppets, they have now been completely eliminated. Only Ho Chi Minh-brand communist Vietnamese Le Duc Anh, Hun Sen, Chea Sim, and Sar Kheng who are very dictatorial, monopolistic, fascist, and barbarous are left intact.

Let alone the U.S. proteges, even Warren Christopher, UN representative Michael Kirby, and the others have been trampled upon and slapped in the face by the communist Vietnamese and their puppets. The communist Vietnamese could do this because the United States has been so stupid to implement such an insane strategy, putting the rat in the cat's cage to let the cat eat up the rat. It does not look at the real situation in the region nor listen to the desire and call of the Cambodian nation and people. Meanwhile, the two-heads — their puppets — are suffering serious defeats and waiting only for their doomsday. Politically, the two-heads are extremely isolated. They are opposed and attacked by the entire Cambodian people in the countryside, in Phnom Penh — their lair — and abroad. Socially, they are suffering very badly. They had no rice to eat, thus Warren Christopher had been compelled to bring them some rice. They are very depraved. Militarily, in the past two dry seasons and in the current rainy season, they have suffered defeats due to the war of punjis [stakes] and mines and guerrilla warfare of our people's war. Especially, they are defeated by our 10-day plans in the current 17th rainy season.

In brief, the hasty trips to Phnom Penh by Warren Christopher and Le Duc Anh are no ordinary trips. They made the trips because they are losing to our nation and people's struggle. No matter how hard they have tried to resurrect the two-heads, bringing them a few bags of rice and coins, these elements have not been able to move their bodies even slightly because they are disintegrating almost like decomposed carcasses.

The entire Cambodian nation and people in the countryside, in Phnom Penh, and abroad have clearly seen the way for the survival of our nation, people, and race — that is, to jointly wage all forms of struggle. By relying on our national-people forces in the persistent struggle, we will certainly win, realize national reconciliation, and achieve genuine peace. We will then be able to jointly defend and build our country to make it develop like all other countries in the region.

Khmer Rouge Condemn SRV President's Visit

BK1208131095 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 11 Aug 95

["Communique" issued by the spokesman of the Provisional Government of National Union and National Salvation on 11 August; place not given]

[FBIS Translated Text] I. Le Duc Anh, the great war criminal of the communist Vietnamese aggressors, came to Phnom Penh on 8 and 9 August 1995. This guy has been condemned and sentenced by the entire Cambodian nation and people as well as people around the world as a great war criminal who has massacred the Cambodian race for 17 years.

II. Millions of our people have been executed most savagely by Le Duc Anh himself and by other communist Vietnamese leaders since the end of 1978 through a military war, an ethnic Vietnamese demographic war, and a famine meant to starve people by every means.

III. Le Duc Anh and the communist Vietnamese leaders, as great war murderers, bear immense responsibility toward the Cambodian nation and people and toward mankind.

IV. The Cambodian nation and people and the Provisional Government of National Union and National Salvation [PGNUNS] categorically oppose and reject the visit to Cambodia by Le Duc Anh and other communist Vietnamese leaders. We do not need these guys to step on Cambodian territory. The Cambodian nation and people and the PGNUNS categorically and firmly oppose and reject whatever communist Vietnam has prepared and signed with its puppets and lackeys and the two-headed government on Cambodia's behalf, whether it is treaties, agreements, or resolutions.

The Cambodian nation and people and the PGNUNS would like to again solemnly declare that they reject any so-called treaties, agreements, or resolutions — in the past, present, and future — that affect Cambodia's independence, sovereignty, national union, and territorial integrity.

V. In accordance with international law and the UN Charter, the SRV must:

1. Respect Cambodia's territorial integrity and not violate Cambodia's territorial integrity, independence, national union, or sovereignty;

2. Unconditionally return to Cambodia the tens of thousands of square kilometers of land, sea, and islands it has illegally annexed since 1979;

3. Withdraw the more than 4 million ethnic Vietnamese that have been dispatched and are flowing into Cambodia to annex the country through a demographic war. These 4 million ethnic Vietnamese are part of the Vietnamese aggressor forces in Cambodia; they should absolutely return to Vietnam;

4. Respect the Cambodian people's right to self-determination, stop fueling the communist Vietnamese aggressors' war in Cambodia, and stop interfering in Cambodia's internal affairs so Cambodia can achieve genuine national reconciliation and peace.

VI. The Cambodian nation and people and the PGNUNS absolutely adhere to the Five Principles of Peaceful Coexistence and absolutely stick to international law and the UN Charter in relations with all countries the world over. With neighboring countries in particular, the Cambodian nation and people do not want to harbor grudges and become enemies; they want only to coexist peacefully and cooperate on the basis of respect for each other's territorial integrity and sovereignty, mutual nonaggression, noninterference in each other's internal affairs, equality, and mutual benefit in accordance with the profound aspirations of people in the region and the world. This is for the benefit of peace, security, and stability in the world.

VII. Given the situation in which communist Vietnam insists on fueling the war of aggression in Cambodia to kill the Cambodian nation and people through the puppet administration it set up in 1979, the PGNUNS absolutely continues to stand on the side of the Cambodian nation and people in the struggle to defend the right to self-determination to achieve genuine national reconciliation and peace at all costs.

11 August 1995

The PGNUNS spokesman

Khmer Rouge Warn UN Envoy To 'Pull Out'

BK1208134195 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 11 Aug 95

[Unattributed commentary: "Watch Out Michael Kirby, Just in Case the Cambodian People Cannot Take It Anymore and Smash Your Head"]

[FBIS Translated Text] The Australian Michael Kirby, an agent of the villainous alliance nurturing communist Vietnam, has been in and out of Phnom Penh many times to carry out the great criminal activity of allowing over 4 million ethnic Vietnamese — the aggressor forces of the Hanoi communist Vietnamese — to remain in Cambodia and also open the door for Vietnamese to flow into Cambodia at will.

Now this guy has hastily come to Phnom Penh again on the heels of U.S. Secretary of State Warren Christopher. Michael Kirby has come at a time when the entire Cambodian nation and people are waging a vigorous struggle to smash the traitorous puppet regime of Hun Sen, Chea Sim, Ranariddh, and Sar Kheng to abolish it and prevent it from serving the great and destructive war of communist Vietnam and the U.S.-French-Australian alliance. This is in order to achieve peace and national reconciliation quickly and resolve the issue of the more than 4 million ethnic Vietnamese through repatriation.

So, Michael Kirby: Do not come to help communist Vietnam amid such a situation. It is a great mistake. No one believes your lies and deceitful statements. The Cambodian people have clearly seen this. Your big boss Warren Christopher came to Phnom Penh to wash the two-heads' asses. Communist Vietnam and the People's Party, communist Vietnam's puppet, cut the throat of FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and the Buddhist Liberal Democratic Party and killed them right in front of Warren Christopher.

If this is what happened to your big boss, who will believe your lies and deceitful propaganda? It is obvious that your goal is to continue assisting communist Vietnam and its puppets. Therefore, hurry up and pull out in case the Cambodian people can no longer take it and smash your head. This advice is given as a meritorious act. Do not say you have not been warned.

Indonesia

Demonstration Held at Australian Embassy 11 Aug

BK1408035195 Jakarta MERDEKA in Indonesian 12 Aug 95 p 10

[FBIS Translated Text] Jakarta, Friday (MERDEKA) — The Australian Embassy, located on Rasuna Said Road in Jakarta, again became the target of a protest demonstration on Friday by dozens of youths calling themselves United Youth for the Defense of Red and White [Indonesian flag] in connection with the burning of an Indonesian flag in Australia some time ago.

One day earlier, about 30 students who called themselves members of the Indonesian Paramilitary Youth held a protest demonstration at the embassy demanding an apology from the Australian Government for the flag-burning incident.

The second demonstration, which began at 1315 West Indonesian Time, displayed several banners which said:

"Australia does not respect other countries" and "Australia is uncivilized." After about 30 minutes, three of the demonstrators, namely Andi Gembul, Yulianto, and Nurdin, were allowed to meet with Neil Maind, a political officer of the Australian Embassy.

"During the meeting, the Australian official said he deeply regretted the flag-burning incident," Andi told reporters after the meeting. He added that Australian Prime Minister Paul Keating will launch an investigation into those behind the incident and take action against them in accordance with existing laws.

"In the coming weeks, the Australian prime minister will disclose more details about the incident," said Andi, quoting the Australian Embassy official.

In its statement, the United Youth for the Defense of Red and White strongly protested the incident, saying that as a sovereign nation, Indonesia cannot accept the flag-burning incident, especially its timing which coincides with the current celebrations to mark Indonesia's 50th independence anniversary. The incident strongly insulted and offended Indonesia as a sovereign nation.

The statement said the Red and White flag is a manifestation of the struggle by the Indonesian state and people, who have sacrificed their lives and belongings for their independence, unlike Australia, which has never fought an independence struggle.

The statement also called on Prime Minister Paul Keating to extend his official apology to the Indonesian Government and people. He should also take appropriate action against the perpetrators of the incident.

The protest demonstration at the Australian Embassy proceeded peacefully under tight security. The demonstrators dispersed at about 1430 West Indonesian time after their representatives met with the embassy official.

Former MP Sues President Suharto, Others

BK1108125895 Jakarta MERDEKA in Indonesian 11 Aug 95 p 2

[FBIS Translated Excerpt] Jakarta, Thursday (MERDEKA) — Former MP [member of parliament] Sri Bintang Pamungkas has sued not only Attorney General Singgih, but also President Suharto at the Jakarta PTUN [administrative court]. The MP sued the attorney general for imposing an overseas travel ban on him and the president for recalling him as a MP. The lawsuit against the president was received on Thursday (10 August) at about 1500 in the afternoon by PTUN chief registrar Sri Wahyuningsih. Junior registrar Mugiono then recorded Bintang's lawsuit as No.094/G/1995/Peg/PTUN-JKT.

When he filed his suit, Bintang was accompanied by three lawyers from the Legal Aid Institute, namely, Bambang Wijoyanto, Waskito Adiribowo, and Maqdir Ismail.

Asked why he sued the president, Bintang said that there is no government regulation extant that governs the recalling of an MP. There is only a regulation authorizing the president to appoint a new MP to fill a vacancy, as for example in the event of the death of an MP. As for recalling an MP, the president is not authorized to do this. But the president did issue decree No. 159/M dated 8 May 1995. "In the absence of a valid regulation, the issuance of such a decree can be seen as an arbitrary action," Bintang said. [passage omitted]

It is not clear when the PTUN will hear Bintang's lawsuit against the president because the lawsuit against the attorney general will be heard by a panel of judges headed by Sudarto at the end of August. "The PTUN will hold a preliminary session at the end of August," said Sudarto after his appointment some time ago. [passage omitted]

Presidential Security Detail Changes Announced

95SE0172C Jakarta SUARA KARYA in Indonesian 15 Jul 95 p 11

[FBIS Translated Text] Jakarta, SUARA KARYA—Gen Feisal Tanjung, commander of the Indonesian Armed Forces [ABRI], has announced a change in the position of commander of the Presidential Security Detail (PASPAMPRES). The change, which is taking place now has no connection with the incident involving a display of hostility toward President Suharto when he recently visited Germany.

The ABRI commander said: "There is no connection between the change in the position of commander of the Presidential Security Detail and the incident in Germany. That is not true." He made this statement after the change of command ceremony involving the position of commander of the Presidential Security Detail, which was held in Jakarta on 14 July.

The commander of the Indonesian Armed Forces made this statement in answer to questions from reporters, following the change of command ceremony, which was considered to have been arranged rather hurriedly.

The position of commander of the Presidential Security Detail was transferred from Brig Gen Siradjudin P. to his replacement, Brigadier General Sugiono.

According to present plans Brig Gen Siradjudin P. will receive an assignment to new duties in the functional affairs section of Indonesian Armed Forces Headquarters.

Brigadier General Sugiono was previously an adjutant to the president and commander of Infantry Brigade 17, under KOSTRAD [Army Strategic Command].

On this occasion the commander of ABRI denied the suggestion which has been made. Indeed, according to Gen Feisal Tanjung, the Presidential Security Detail, under the leadership of Brig Gen Siradjudin P., made increasing progress.

The ABRI commander said: "We are convinced that the Presidential Security Detail has recently made increasing progress under the leadership of its succeeding commanders, not excepting the period when it was led by Brig Gen Siradjudin P." He added that the transfer of this position is an organizational need related to the personnel development system.

In his speech on this occasion Gen Feisal Tanjung urged that the Presidential Security Detail should continue to strengthen the mental resiliency of every member, so that it would maintain its well known efficiency.

Speaking to the new commander, Gen Feisal Tanjung asked him to make sure that, during the period when he occupies this position, he takes action to prevent the emergence of an attitude and actions oriented toward a feeling of unchanging routine.

He said: "If you consider it necessary, make changes in security operations guidelines in the field which are considered no longer in accordance with current conditions."

Brigadier General Sugiono graduated from the Indonesian Armed Forces Academy in 1971, after nine years of service in the interior of West Kalimantan.

Some of the positions held by this father of two children include that of teacher at the Army Staff and Command School [SESKOAD] and chief of staff of Infantry Brigade I and observer of community trends [PAM] in the national capital in the Greater Jakarta Military District [KODAM Jaya].

Brigadier General Sugiono is married to Sri Hartati, by whom he has two children, Sandra and Edo.

State Secretary Defends Use of Nuclear Energy

*95SE0168A Jakarta KOMPAS in Indonesian
11 Jul 95 p 3*

[FBIS Translated Text] Jakarta, KOMPAS—State Secretary Moerdiono has stated that, whether it wants to or not, Indonesia must be a pioneer in the use of nuclear power to meet future energy needs. In view of the high risks involved, Indonesia must study the use of nuclear energy as carefully as possible. Among other things, this means studying the experience of other countries. He said: "We can make use of the progress, which they have made. We will study the problems and accidents, which have occurred so that we can avoid them."

Moerdiono was testifying before Committee II of Parliament, which was presided over by Deputy Chairman Anwar Ilmar, on 10 July. He was accompanied by Cabinet Secretary Saadillah Mursjid. Moerdiono said that the use of PLTN's [nuclear-powered electricity generators] was in implementation of national energy policy, which consists of the diversification and conservation of energy, while protecting the environment.

He said that Indonesia is very much aware that the risks involved in using nuclear energy are very high, particularly in case of accident. Although this is true, it does not mean that Indonesia does not need to build PLTN's. On the contrary, Indonesia must master nuclear knowledge and technology as soon as possible.

He stated that, as President Suharto once said, Indonesia must continue to try to diversify the use of its natural resources, particularly energy, for which its requirements continue to increase. For that reason, the use of nuclear energy is one alternative which must be considered, although it continues to have the lowest priority. State Secretary Moerdiono said: "The important thing is that we must try to ensure that the risks are as small as possible."

Three New Warships Arrive at Surabaya Base

*BK1208134395 Jakarta ANTARA in Indonesian
1717 GMT 11 Aug 95*

[FBIS Translated Excerpt] Surabaya, 11 Aug (ANTARA) — Two warships purchased from Germany, KRI [Republic of Indonesia Ship] Memet Sastrawirya 380 and KRI Teluk Manado 537, as well as KRI Soputan 923, a warship purchased from Korea, arrived at the Eastern Armada base in Ujung, Surabaya on Friday.

Lieutenant Colonel (Navy) Kusmandar, chief of the Indonesian Navy's Eastern Armada Information Service, said the three warships — part of a package in which the country purchased 39 warships — were welcomed by Navy Commodore Fritz A.C. Mantiri, commander of the Third Naval Base, and other officers from the Eastern Armada.

"With this latest arrival, 31 of the 39 warships have now arrived in Indonesia," he said.

KRI Memet Sastrawirya 380, with Major (Navy) Karma Suta as its captain, is a Parchim class corvette. KRI Teluk Manado 537, with Lt. Col. (Navy) Lili Supramono as its captain, is a Frosch class landing ship tank. KRI Soputan 923, with Major (Navy) Herry Setianegara as its captain, belongs to the ocean cruiser class.

Before their arrival in Surabaya, the two warships from Germany made a stopover in Jakarta while the warship from Korea made a stopover in Balikpapan, East Kalimantan. [passage omitted]

Philippines

Officials: No War With PRC Over Spratlys

BK1408020695 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 13 Aug 95

[FBIS Translated Text] No war will take place between the Philippines and China over the Spratlys. This was the statement made by Speaker Jose De Venecia and Chinese Assistant Foreign Minister Wang Yingfan during their meeting.

During his courtesy call with Speaker De Venecia, Minister Wang assured that Chinese President Jiang Zemin had already expressed his stand to President Fidel Ramos that the dispute between the Philippines and China on the Spratlys issue can be resolved by the two leaders peacefully.

China and the Philippines have agreed in the recently concluded two-day consultative meeting that both sides will not use force on the Spratlys issue.

PRC Moves Monitored

BK1408095695 Quezon City DZBB Radyo Bisig Bayan in Tagalog 0800 GMT 14 Aug 95

[FBIS Translated Text] The Department of Foreign Affairs continues to monitor China's movements in view of the Spratlys issue. Foreign Affairs Secretary Domingo Siazon, Jr. said his department is now focusing on China's missile tests and its deployment of marines in Taiwan [as heard]. Siazon said China's actions are meant to show Taiwan that it cannot secede from China. He added that although China has not yet conducted missile tests in the Spratlys, we will continue to monitor its movements.

Foreign Secretary on Spratlys Sovereignty Issue

BK1408110195 Manila BUSINESS WORLD in English 10 Aug 95 p 12

[Report by Paul N. Villegas]

[FBIS Transcribed Text] Foreign Affairs Secretary Domingo Siazon yesterday said addressing the sovereignty question on the disputed islands in the South China Sea will take some time before the issue could be resolved by claimant states.

In an interview with reporters yesterday, Mr. Siazon said the Philippines and China are prepared to explore confidence-building measures and joint development projects in the contested area while they continue to address the sovereignty issue through bilateral and multilateral fora.

"It'll take some time before the (claimants could finally resolve the question of sovereignty in the Spratlys). We will continue exploring that issue but in the meantime, we are prepared to talk about confidence-building measures and joint development endeavors (in the area)," he said.

Senior officials from Manila and Beijing yesterday begun their two-day talks here at the Sheraton Hotel to tackle the Spratlys issue, particularly the incursion of Chinese military elements in Mischief Reef, an area being claimed by the Philippines.

Foreign Affairs Undersecretary Rodolfo Severino headed the Philippine panel while his Chinese counterpart, Foreign Affairs Assistant Minister Wang Yingfan, Beijing's former envoy to Manila, headed the delegation from China.

The two sides were expected to thresh out their differences over the Mischief Reef incident and discuss several measures to avoid heightening tensions further. The meeting was also meant to clarify China's official stand on addressing its claim to the disputed islands through international law, specifically through the United Nations Convention on the Law of the Sea.

Mr. Siazon declined to comment on whether Manila would ask Beijing to leave Mischief Reef and allow the situation to return to the pre-Mischief Reef status quo. He said the Philippine delegation would propose President Ramos's three-pronged approach in addressing the issue, namely, through bilateral and multilateral negotiations and by establishing a sister-city and sister-province ties between the two countries.

"There are no easy solutions to the Spratlys problem. As in all territorial disputes, a settlement will require extensive peaceful dialogue among concerned parties. What is important is that, pending such a settlement, all claimants acknowledge that there is a dispute, refrain from taking actions that threaten others in the area, and come to an early understanding on a code of behavior in the area so as to defuse tensions, build confidence, and promote stability," he said.

The Chinese delegation said they are prepared to talk constructively with their Manila counterparts the issue of overlapping claims on the Spratlys and on Philippines-China relation.

The Spratlys, one of the regions potential flashpoints, are believed to sit atop large reserves of oil and gas. They are being claimed by China, Vietnam Taiwan, Brunei, Malaysia, and the Philippines. Except for Brunei, all the other claimants have stationed military troops in the area.

Manila and Beijing figured in a diplomatic squabble last February following the discovery of Chinese military structures and naval vessels in Mischief Reef.

Although China has shown some encouraging signs in dealing with the sovereignty issue, Beijing still maintains its "indisputable sovereignty" over the Spratlys and refuses to discuss the Paracels with Vietnam.

Officials Comment on U.S. Airport Report

Called 'Blackmail' for Talks

BK1408041995 Quezon City Radio Filipinas in English 0230 GMT 14 Aug 95

[FBIS Transcribed Text] A newspaper quotes the Philippine transportation secretary on Sunday as saying that the U.S. authorities' (?hunched) airport safety as a pretext to win concessions in upcoming airline trade talks, he expressed on Monday as blackmail. [sentence as heard]

Jesus Garcia's warning followed an announcement last month by U.S. Transportation Secretary Federico Pena that the Ninoy Aquino International Airport is a security risk.

Pena's announcement, based on a report of the Federal Aviation Authority report, is seen by some Philippine officials as an attempt to pressure Manila into allowing unlimited flights by American airlines. Talks between the two countries are to resume next month.

Garcia warns [words indistinct] of the U.S. proposal for unlimited flights, saying the Philippines is not yet ready to compete with foreign airlines under an open-skies policy. Three American airlines — Northwest, United, and Continental Air Micronesia — are allowed to operate in the Philippines (?considering) Philippine Airlines, the country's only international airline.

Local newspapers said Garcia and other officials view the U.S. secretary's warning as unfair since French and British authorities have expressed their satisfaction with security measures being undertaken at the Manila airport.

Siazon: 'Talk Quietly'

BK1408094595 Quezon City DZBB Radyo Bisig Bayan in Tagalog 0800 GMT 14 Aug 95

[FBIS Translated Text] It is better to resolve the issue of the U.S. travel advisory through peaceful means. Foreign Affairs Secretary Domingo Siazon said the U.S. travel advisory citing the lax security at Ninoy Aquino International Airport [NAIA] can be resolved if the Philippines and United States talk quietly. Siazon stressed that it is unfair to accuse the United States of commercialism [komersyalismo] over its decision to release the travel advisory. He added that the Department of Transportation and Communication continues to work so that NAIA can meet the recommended security standards of other countries.

KYODO Reports on Planned Military Purchases

OW1308053395 Tokyo KYODO in English 0459 GMT 13 Aug 95

[By Dario B. Agnote]

[FBIS Transcribed Text] Manila, Aug. 13 KYODO — The ill-equipped Philippine military has completed its shopping list of war material it plans to acquire in the next 15 years to replace rusting equipment and artillery dating back to World War II, according to a report obtained by KYODO NEWS SERVICE.

China's encroachment on the disputed Spratlys in the South China Sea and an increase in defense spending of claimant countries have prompted the Philippine Armed Forces to move fast to acquire military capability to face any future external threats.

President Fidel Ramos in June submitted guidelines to congress for boosting the country's military capability to defend its claims to the Spratlys, police the archipelago's 7,100 islands, especially in the southern Philippines, and deter any intrusion in the country's 200-mile exclusive economic zone.

The program allows the military to acquire sophisticated weapons systems like F-16 or Mirage 2000 fighters, missile-equipped frigates and corvettes, with an estimated budget of 330 billion pesos (about 12.94 billion dollars) spread over 15 years beginning in 1996.

It also includes plans to establish more army bases, naval and air stations in the archipelago to thwart possible "external threat from the west, north and south in that priority."

To protect vital installations and weapon systems, the military also plans to deploy a total of 20 point-defense surface-to-air missile or antiaircraft gun systems at 12 air bases and stations in the archipelago.

The Navy will benefit the most from the proposed modernization program, with 40 percent of the budget set aside for acquiring combatant vessels, some with shipborne rotary wing aircraft and missiles and antisubmarine capability, the report said.

The Navy plans to replace its obsolete ships that average 41 years with 12 offshore patrol vessels; six corvettes with surface, antiair and antisubmarine warfare capabilities; three frigates fitted with surface-to-air, surface-to-surface, antisubmarine and close-in weapon systems; and, 40 patrol ships, including mine warfare vessels.

The top priority in air defense is placed on tactical air support for ground and naval forces, long range maritime air surveillance, battlefield airlift mobility, strategic airlift, simulator and command and control communication systems.

The Air Force plans to acquire 36 multirole fighters with appropriate ordinance, six air defense radars, 24 attack aircraft and six long-range patrol aircraft equipped with side viewing radars, infrared or thermal imaging and optical sensors which can be utilized in aerial photography, forestry control, wildlife protection, map revision, and strategic resource sensing.

The attack aircraft is capable of "neutralizing medium value hostile targets that pose as threats to oil drilling sites such as ships or helicopters," it said.

The Army plans to improve its firepower, mobility and communication. The principal equipment to be acquired are howitzers, light armored vehicles, engineer equipment and communications equipment. The report said the principal equipment to be upgraded are 40 105-millimeter howitzers, 108 armored personnel carriers and 97 command vehicles.

The program also involves the restructuring of military personnel into a "lean and mean" force backed up by efficiently trained and better equipped reserve units. The plan includes a 25 percent reduction of the military troop strength from 126,686 in 10 years to 95,000.

Among the six claimants over the Spratlys, China is the most powerful military force with blue water navy. Others like Vietnam, Malaysia, Taiwan and Brunei have all rapidly modernized their respective military capabilities with a battery of missile gunboats and modern fighters.

The Philippines has the most backward warfare. The country, which has the smallest defense expenditures in terms of portion of GNP among Southeast Asian nations, has only three F-5a planes that are operational, 13 OV-10b, U.S.-made Vietnam-vintage Huey choppers and six S-211 trainer jets from Italy and a fleet of World War II-vintage ships.

The abrogation of the Philippine-U.S. Military Bases Agreement in September 1991 caused drastic cuts in U.S. financial assistance to the Philippine military.

Police on Alert for Islamic Extremist Attacks

BK1108093795 Hong Kong AFP in English 0906 GMT 11 Aug 95

[FBIS Transcribed Text] ZAMBOANGA, Philippines, Aug 11 (AFP) — Police and military forces have been placed on alert over intelligence reports that Islamic extremists in the southern island of Mindanao are to attack two largely Christian towns, senior officials said Friday.

Regional police commander Senior Superintendent Orville Gabuna and Marine forces commander Brigadier General Ponciano Millena said the reports indicated planned attacks on Dipolog City and Liloy town in Zamboanga del Norte province.

But Gabuna said he had placed troops on alert in all five provinces of the region, including the regional commercial hub of Zamboanga City, explaining that the plot to hit Dipolog and Liloy might be a "diversionary tactic" for an assault on Zamboanga itself.

An attack on Zamboanga had been planned by the extremist group Abu Sayyaf soon after it plundered the Christian town of Ipil on April 4, massacring 53 residents and razing its commercial center, Gabuna said.

The Abu Sayyaf, which opposes ongoing peace talks by the government and autonomy-seeking Moro National Liberation Front (MNLF), has also staged bomb attacks on Christian targets in the south.

"They have been quiet for some time, and there is no way to know what they plan to do and where," the state-run Philippine News Agency (PNA) quoted Gabuna as saying.

Newly appointed southern Philippines military commander Major General Ruperto Ambil told reporters here Friday that the military was prepared for any contingencies.

"Your military would like to assure you of its preparedness to respond to any kind of situation," he said.

The Abu Sayyaf is a recent offshoot of the Moro National Liberation Front (MNLF), which waged a bloody war for a separate Moslem nation in the early 1970s.

The group has since entered into peace talks with Manila with the aim of carving an autonomous Moslem region in Mindanao.

Thailand

Need for Stable U.S. Presence in Asia Viewed

BK1108061695 Bangkok BANGKOK POST in English 11 Aug 95 p 4

[Editorial: "Finding the U.S. Role in a One-Superpower World]

[FBIS Transcribed Text] A new and vastly changed East Asia is emerging in the era following the cold war. ASEAN and its neighbours have talked again with each other on both the problems and points of agreement. It has been most heartening to the citizens of the area to see so much progress. In fact the recent meeting of ASEAN foreign ministers passed a milestone most observers never dreamed would happen so quickly. The admission of Vietnam as a full member of the community was a symbol of the political progress made since the fall of the Soviet Union; it now seems true that differing types of regimes can co-exist in a peaceful and civilised manner.

Signs clearly point to continuing good news on most fronts. There are disagreements and even foot-dragging on various issues of free trade, but the principles are clear and accepted by all. Tariff-cutting in the future will likely see bumps in the road, but no actual roadblocks. ASEAN's many "dialogue partners" from around the world remain in general agreement with the group. They recognise the importance of the ASEAN Regional Forum (ARF) to both the security and prosperity of the area.

Just as the ASEAN region, its neighbours and partners are carefully defining their roles for the future, so is the only remaining superpower. U.S. Secretary of State Warren Christopher said what the participants at the Brunei meeting wanted to hear — and he seemed eloquently sincere about it. America, he said, must have a stable presence in the Asia of the future. He discussed problems honestly but pointedly refrained from dictating solutions. The new America, he said, would help solve problems in consultation with others.

This is worlds away from the America of the cold war, which blustered into Vietnam in only the worst example of action without consultation. It is fitting that Mr Christopher, a diplomat honed during "the bad old days," now speaks of a new type of relationship. On the Spratly Islands, a potential tinderbox, the U.S. secretary said Washington had told all six nations claiming the area it would assist "in any way they deem helpful." Nor will the U.S. dictate solutions, even by diplomatic blustering.

The role of the United States in a post Soviet world is still undetermined. The unique and historical brand of American isolationism is a hotly debated issue in Washington and across the U.S.. A bill in the U.S. Senate would cut back Mr Christopher's authority, eliminate some 10,000 jobs dealing with foreign policy, axe the U.S. Information Agency, and tie the president's hands on helping UN peace-keeping. President Clinton has said he will veto the new law if it passes, but it has strong grassroots support and may pass in the next few years anyway.

Clearly, the secretary of state's "middle path" serves even America's own interests better. The extremes of unilateral gunboat diplomacy and isolationism do not suit today's small world or the United States. Much of the world still seeks moral leadership from America. Then there are the very real known, and growing, problems of the future. Mr Christopher pointed out in Bandar Seri Begawan there is always a danger of the re-ignition of old rivalries.

He also pointed to new threats: drugs and arms trafficking, economically devastating money laundering, and proliferation of nuclear, biological and chemical weapons. These are issues in which the U.S. is both expert and, like the rest of us, both a current and future victim. The U.S. cannot make any of these problems go away by failing to address them and their world-wide implications.

This is why it is vital that Washington maintain the stable presence in Asia of which Mr Christopher spoke. A few observers have lamented over the U.S. and China dragging their differences over human rights and Taiwan to the Brunei meeting. But the ARF is in fact an ideal setting to discuss such issues. ASEAN and the region are directly affected by such disagreements. Thus, it is both fitting and gratifying to see Beijing and Washington acknowledge and seek to solve their problems at an ASEAN-sponsored forum.

Member nations and ASEAN itself are feeling their way in a changed world as much as Washington. It is clear that as the world's richest and most powerful nation, the United States must continue its presence in all of Asia, including Southeast Asia. It is encouraging to see Washington adapt to a rapidly changing region. Its recognition of those changes is heartening.

Military Deal Set To Buy Arms From U.S. Firm

BK1408090795 Bangkok BANGKOK POST in English 14 Aug 95 p 15

[FBIS Transcribed Text] Weapons company United Defence will buy products totalling US$17 million from Thailand in a countertrade deal following the Thai military's purchase of machinery worth US$85 million from the company in the United States.

United Defence, through its trading firm, Centro Bank, will buy Thai rubber and its by-products, plastic, tapioca flour, canned pineapple, fresh vegetables and fruit, frozen fish and chicken, jewelry, leather, ceramics, wooden furniture, home textiles and frozen vegetables.

The products will either be directly used or sold in the United States or be shipped to countries that are not existing markets for Thailand. The goods will not be sold in Japan, the European Union and Singapore.

United Defence must complete its purchase of Thai products by December 1998 or else its bank guarantee worth 5% of the total amount of the purchase from Thailand will be seized by the Thai Foreign Trade Department.

According to Foreign Trade Department deputy director general Bunthipha Simasakun the deal is worth 20% of the amount bought by Thai state agencies.

The latest agreement is Thailand's ninth countertrade deal, with the total value now being 2.7 billion baht.

The department will ask the International Economic Relations Committee to reinstate the countertrade subcommittee tomorrow to continue trying to find more countertrade deals.

When state agencies make purchases exceeding 500 million baht, these deals must be considered. But the Thai military can make purchases of up to one billion baht without having to consider countertrade possibilities.

Japanese Official Views APEC Market Access

BK1208141095 Bangkok THE NATION in English 12 Aug 95 pp B1, B2

[Report by Chirawat Na Thalang and Phongphat Sinang]

[FBIS Transcribed Text] The Japanese government intends to urge members of the Asia Pacific Economic Cooperation [APEC] to liberalize market access at their own pace, according to Ippei Yamazawa, the Japanese member of the Apec advisory think-tank.

According to Yamazawa, the Japanese government will propose that each member take symbolic action or make a "down payment" to show it is serious about opening up markets before the actual Apec market liberalization programme begins.

Apec members are set to discuss the "concerted unilateral liberalization approach" and the down-payment proposals at an Apec meeting in Osaka in mid-November.

Originally, Apec members were expected to submit liberalization offers under an action agenda framework at the Apec meeting in Manila in 1996.

The down-payment requirement is part of the Japanese concerted unilateral liberalization effort, an initiative which calls for Apec members to open up their markets beyond what was committed to at the Uruguay Round of multilateral trade talks. However, some members have reserved the right not to open up their markets if they are not ready by the proposed deadline.

The possibility also exists that some Apec members may not be able to comply with Apec liberalization requirements if their industrial sectors insist they are not ready for open competition.

Speaking at Thammasat University on Friday, Yamazawa, the Japanese member of the Apec independent advisory team of Eminent Persons Group, said that if no action is taken at the Osaka meeting this year, "Apec leaders would lose credibility."

"It is no good if leaders say they will open up the market in the future without giving a definite date," he added.

The concerted unilateral liberalization proposal is seen as an attempt by the Japanese government to appease all of the members of Apec. The United States and Australia had suggested that Apec become a negotiating forum similar to the General Agreement on Tariffs and Trade (Gatt). However, most Asian members of Apec rejected the suggestion.

According to Yamazawa, the Japanese government thought its unilateral liberalization approach would be the most practical way of promoting cooperation in Apec. "It simply takes advantage of the (liberalization) momentum that already exists," he said.

Under the approach, each Apec member would not be bound by legal requirements but simply by a feeling of commitment to other Apec members.

Yamazawa said that officials at a recent Apec preparation meeting agreed unanimously to the Japanese proposal despite initial objections by the United States.

At the second Apec summit in Bogor, Indonesia last year, Apec leaders agreed that developed Apec nations should open up their markets by 2010, while developing members could do so by the year 2020.

Apec leaders, however, did not specify how liberalization under the forum of Apec could be reached or what sectors would be covered by liberalization requirements.

In addition, Apec members must also decide if they will offer market access to non-members on a most-favoured-nation or reciprocal basis. The intention would be to prevent non-members from taking unfair advantage of the Apec liberalization programme.

Last year, the Eminent Persons Group with Dr Narongchai Akkharaseni as the Thai member, met in Beijing to discuss the future of Apec. Yamazawa said this year the group will present a paper outlining the implementation of the Apec vision. The ten issues it will raise are a follow-up to recommendations made at the Bogor meeting.

Yamazswa said the down-payment idea is part of the vision paper but he declined to elaborate. "The details of our discussion will be made public in the next two weeks," he said.

Nonetheless, Yamazawa stressed that Apec will not become a trade bloc. "Unlike the European Union, which is designed to prevent the infiltration of outsiders, Apec is more like an umbrella group," he said.

Yamazawa said, however, that because of social and economic diversity, "It would take several years before Apec could become a negotiating forum."

He did not think that Apec would become a duplication of the World Trade Organization or the successor to Gatt. He said that in the future, Apec and the European Union would become key negotiators in multilateral trade talks.

Yamazawa said the proposed "Partnership for Progress" programme is expected to be discussed at the Apec Summit in Osaka, but added that it should be moved beyond an agreement for studies and seminars. Some Asian countries, in contrast to the United States, want to see some concrete cooperation derived from Partnership for Progress talks.

He added that he would like to see new programmes for cooperation in Apec based on other elements, but conventional bilateral programmes will be continued.

Moreover, Yamazawa said he would like to see "deepening" activities strengthened to facilitate trade liberalization and cooperation in Apec.

He said the "broadening" process of accepting new members — both Russia and India have expressed their interest — would delay the realization of free trade in Apec.

Foreign Minister Condemns French Nuclear Tests

BK1208113095 Bangkok THE NATION in English 12 Aug 95 p A2

[FBIS Transcribed Text] Thailand yesterday condemned France's insistence on resuming nuclear tests in the South Pacific before entering into a complete nuclear test ban next year.

Foreign Minister Kasemsamoson Kasemsi said he had informed Prime Minister Banhan Sinlapa-acha of France's scheduled resumption of nuclear tests next month, and the premier agreed with him that such action should be condemned.

The statement came as France sought to cool off the intensifying international pressure against its planned testing by announcing on Thursday that it will fully comply with an international test ban treaty after this test and will also close down its testing site at Mururoa atoll in the South Pacific.

"Although the testing area is far from where we live and the tests will not directly affect us, Thailand considers the action not good for people as a whole. The premier has expressed his view that the tests should be condemned," Kasemsamoson said. The former Chuan Likphai government had said that Thailand and other countries which endorsed the Non-Proliferation Treaty (NPT) in New York were deceived by France, which also endorsed the pact.

In Geneva many countries are negotiating the Comprehensive Test Ban Treaty to end all nuclear explosions. France announced recently that its South Pacific tests would be its last.

France was grilled on the issue last month when its deputy foreign minister attended the Asean Ministerial Meeting in Brunei.

The Asean foreign ministers included in their joint communique a statement deploring nuclear testing in the region.

Kasemsamoson said he was informed by France during the Asean meeting that the tests would be the last of the series and that they had been planned long ago.

"However, the implementation of the testing is not acceptable," Kasemsamoson added.

Burma Prohibits Border Crossing at Tachilek

BK1308134395 Bangkok THE SUNDAY POST in English 13 Aug 95 p 2

[FBIS Transcribed Text] Mae Sai, Chiang Rai — The Burmese government has banned its people from crossing the border from Tachilek to Mae Sai.

The ban imposed since Tuesday [8 August] follows a visit to Tachilek by Burmese senior military officials early this month.

Burmese in the area are prohibited from entering Thailand to buy food and other necessities.

Military sources at Tachilek said the order could stem from Rangoon's fear that Burmese students in Thailand would step up their activities since the release from house arrest of opposition leader Aung San Suu Kyi.

In March, the State Law and Order Restoration Council ordered closure of the Mae Sai-Tachilek temporary checkpoint, alleging that Thailand supported drug warlord Khun Sa who is at war with Rangoon. The order swiftly reduced trade.

Early last month trade improved slightly when Thailand opened five temporary border passes near Tachilek bridge and at Ban Pang Ha, Ban Muang Daeng, Ban Sai Lom Choi and Ban Ko Sai, enabling Burmese to acquire food.

The latest ban has halted all trade, with local businesses urging the Thai Government to negotiate with Burma to reopen the Mae Sai-Tachilek checkpoint.

Chiang Rai provincial authorities citing safety worries, have asked Thais not to use the five temporary passes.

In a separate issue, the Mae Sot mosque committee is appealing for justice for a displaced Burmese allegedly detained and physically abused by checkpoint officials.

The committee's petition has been lodged with Interior Permanent Secretary Ari Wong-araya, Police Chief Gen Phot Bunyachinda, Chula Ratchamontri [Muslim spiritual leader] Prasoet Mahamad, Tak Governor Kasem Nakkharat and Tak checkpoint deputy superintendent Pol Lt-Col [Police Lieutenant Colonel] Chinnaphat Tansikun.

Burmese Muslim Soe Fee, 42, told the committee he had been stopped by eight immigration officials on July 6 while he was on Prasatwithi Road.

They took him to Tak Immigration Office without telling him of any charge.

The officials allegedly started to pull out Mr Soe Fee's beard, saying it was dirty and are also accused of forcing two Karen refugees, detained in the office, to help in the assault.

The eight officials, led by checkpoint inspector Pol Maj [Police Major] Prasit Krathin, also allegedly searched Mr Soe Fee's rented house on Si Phanit Road where they met Burmese trader Muni Rahmad, whose jewellery worth 190,000 baht was said to have been taken by one of the officials.

The committee raised the case with Mae Sot police, saying it showed contempt for Muslims who followed their religion's founder in growing a beard.

The Tak checkpoint deputy superintendent set up a special committee to handle a disciplinary probe against staff. The team is headed by Pol Maj Prasit.

Sombun Saengthong, a mosque committee member, said he and other Muslims feared the case might not be handled fairly since the accused officials were still working in the area and one of their members, Pol Maj Prasit, was heading the disciplinary team.

PRC Chemical Industry Minister Discusses Trade

BK1308151095 Bangkok Radio Thailand Network in English 0000 GMT 13 Aug 95

[FBIS Transcribed Text] China has shown keen interest in investing in fertilizer, petrochemical, and potash production in Thailand. Chinese Deputy Minister of Chemical Industry Li Shizhong called on Deputy Prime Minister Sombun Rahong on Friday [11 August]. He said next year China would begin the 9th five-year development plan focusing on the chemical industry in agriculture and the petrochemical industry in response to growing automobile and machinery manufacturing.

Deputy Prime Minister Sombun exchanged views on bilateral trade and economic cooperation with the Chinese minister. He urged Chinese business people to invest more in Thailand, especially in the field of agro-industry. The deputy prime minister pledged full support for Chinese investment here.

Both sides also agreed to encourage the private sectors of both countries to closely cooperate in trade and economic cooperation. Thailand and China will next week sign an agreement under which Thailand will export rubber to China.

Appeal to WTO on EU Rice Tariffs Planned

BK1408085995 Bangkok BANGKOK POST in English 14 Aug 95 p 15

[Report by Somphon Thapanachai]

[FBIS Transcribed Text] Thailand will complain to the World Trade Organization [WTO] over alleged unfair tax calculations on Thai exports of rice to the European Union [EU], according to Department of Foreign Trade officials.

The petition will be filed with the dispute settlement body of the WTO which is responsible for arbitrating trade disputes between WTO members. Thailand wants the EU to change its system of calculating tariffs to be in line with the regulations of the Agreement on Agriculture.

The Agreement on Agriculture is the section of the General Agreement on Tariffs and Trade which governs the reform of global trade in agricultural products. The agreement seeks to expand global market access, reduce domestic subsidy programmes and establish hygiene standards for agricultural goods.

Each WTO member is obligated to lower tariff barriers progressively each year. The rate of reduction is based on the level of development of each member's economy.

Department deputy director general Bunthipgha Simasakun said the current tariff calculation system used by the EU was against the spirit of the agreement.

He said the EU adjusted its import tariffs every three months, using a formula based on the difference between an intervention price and the import price.

The intervention price fluctuates on a weekly basis and is based on rice prices established during trade inside the EU.

The import price is based on representative rice prices in three markets — Rotterdam, Thailand, and the US. Thai exporters are concerned that unfavourable market prices or prices for different rice varieties might be used to calculate the taxes unfairly.

A Commerce Ministry source said the EU tax calculation system was also against the WTO Custom Valuation Agreement, which asks members to base the tariff rate on the actual import price — the price on the invoice.

Thailand's position is that the EU should follow the valuation agreement and base the tax rates on the invoice price paid for rice shipments. Failing that, the Government wants the EU to establish a set tax rate, which would then be subject to WTO reductions.

The use of fluctuating import prices and intervention prices creates uncertainty for Thai exporters, as taxes which have to be paid on delivery cannot be accurately forecast. Shipments of rice to the EU typically take three weeks to arrive from Thailand.

The source said the US has also expressed concern over the EU tax calculation method on rice imports. The US has already sought negotiations with the EU on the issue.

Thai rice exports to the EU !ast year amounted to about 160,000 metric tons, with half consisting of broken rice and the rest semi-milled rice.

Prime Minister 'Concerned' Over South Situation

BK1208125295 Bangkok BANGKOK POST in English 12 Aug 95 p 2

[FBIS Transcribed Text] Prime Minister Banhan Sinlapa-acha is concerned about the situation in the predominantly Muslim southernmost provinces and is worried more trouble might be instigated to create tension, said Interior Permanent Secretary Ari Wong-araya.

The interior permanent secretary said the prime minister had ordered the interior ministry to beef up security measures in the area as a precaution to prevent any untoward incident from occuring.

Mr Ari expressed confidence local officials in the area could handle the situation.

But he said local authorities had been urged to closely monitor the activities of several movements which might want to create trouble in the southernmost provinces.

Comment on an incident this week in Narathiwat, where an unexploded hand-made bomb was founded at the provincial educational office which located about 200 metres from the provincial Town Hall, Mr Ari said he is certain that incident was instigated by troublemakers.

"The situation there will not escalate," Mr Ari said with confidence.

Defence Minister Gen Chawalit Yongchaiyut yesterday surprised reporters by revealing that within the next few months there will be big news which would help bring peace to a region plagued by separatist terrorism for decades.

Gen Chawalit did not elaborate but asked for time for his men to carry out their assigned task.

The defence minister admitted that some local officials who are not accepted by local people helped cause problems in the area.

Gen Chawalit said the government would try its best to resolve problems in the region adding that local authorities are trying to solve basic problems which would establish permanent peace.

One veteran observer from Pattani yesterday noted that Gen Chawalit's claim over "big news" might refer to the reported attempt to lure Hayi Amin Tomina, elder brother of former interior deputy minister Den Tomina, back from Malaysia where the former religious leader has lived in self-imposed political exile for the past 17 years.

Hayi Amin, former chairman of the Pattani Provincial Islamic Committee, is suspected by local security officials in the South to be a leader of one the separatist movements.

He has also been accused of helping to instigate tension in the southernmost provinces. The allegation has been denied by Hayi Amin.

Mr Wisut Singkhachonworakun, director of the Southernmost Provinces Administrative Centre, said he is concerned that potential investors might be driven away from the area if tension and problems are not effectively resolved.

Minister Pledges More Autonomy for TV, Radio

BK1408050195 Bangkok THE NATION in English 14 Aug 95 p A1

[Report by Piyanat Siwalo]

[FBIS Transcribed Text] PM's [Prime Minister] Office Minister Piyanat Watcharaphon yesterday vowed to give the government's public relations broadcasting stations more independence and to encourage greater private sector participation in their management.

Piyanat, who oversees the Public Relations Department, said Radio Thailand and Channel 11 should have more interesting programmes rather than operating merely as the government's public relations tools.

Piyanat was also the PM's minister at the forefront of government public relations in the Suchinda administration before it was toppled by the 1992 popular uprising. At that time, he staunchly defended news blackout on pro-democracy activities and clashed verbally with reporters criticizing the government's "dictatorial" attitude.

Now Piyanat says television and radio stations are flooded with pro-government news, leading to one of the worst relationships in history between the media and the state.

Radio Thailand and Channel 11, both run by the Public Relations Department, have been dubbed "dinosaurs" for producing "dull" and "unattractive" programmes.

Piyanat said he would separate Channel 11 from the bureaucracy so its operation would be independent like the British Broadcasting Corporation [BBC]. He would also invite private firms to invest in a joint venture to run the channel.

The minister said the government's radio and television stations should be improved both in terms of their image and effectiveness. He claimed their programmes were not interesting because of the bureaucracy.

The government's radio and television stations were established to serve the state, so they could not initiate interesting programmes, he said.

"This is why the public is not interested in their programmes," Piyanat said.

He said Radio Thailand had more than one hundred network stations throughout the country and they should be separated into two groups. The first, with frequencies reaching the entire country, should remain the government's public relations arm, while the other whose frequencies are not as widespread should publicize interesting hard news.

The second group of stations, such as FM 92.5, should be a forum for the public to voice their opinions and problems, he said.

Piyanat said he would allow producers of each station to use their "conscience" to decide on the content of their programmes. He claimed that if he set guidelines he would be criticized for his "intervention".

"I will never intervene in, or become involved in, their programmes," he said.

He said Channel 11 had a lot of expenses but only a small income and many proposals had been raised to improve the channel, including allowing the private sector to buy air-time.

However, Piyanat promised not to allow Channel 11 to screen commercials but said he would improve it and seek income through other means.

"My idea would be a revolution. Channel 11 should be separated from the bureaucracy in it could operate effectively. In the past, the channel could not be improved because of laws and bureaucratic regulations," Piyanat said.

The minister said he would propose that the private sector invest in Channel 11 in a joint venture, with the government holding the majority of shares.

"I want Channel 11 to become like the BBC. But we have to do it step by step," he said.

Vietnam

Article Views Normalization of U.S. Ties

BK1308104795 Hanoi NHAN DAN in Vietnamese 23 Jul 95 pp 1, 14

[Article by Hoang Lien: "Normalization of Vietnamese-U.S. Relations — What Was Due To Happen Has Happened!"]

[FBIS Translated Text] Late on the night of 11 July 1995 or the early morning of 12 July (Vietnam time), at the White House on the other side of the Pacific Ocean and in the presence of members of the U.S. Congress, President Bill Clinton officially announced the normalization of relations with Vietnam. Mr. Bill Clinton also said that Mr. Warren Christopher would be the first U.S. secretary of state to visit Vietnam since the end of the war.

U.S. and world public opinion attach great importance to the normalization of Vietnamese-U.S. relations, which happened exactly 20 years after the end of the Vietnam war. Senator John Kerry, who took the lead in the campaign for the normalization of U.S.- Vietnamese ties, maintained that President Bill Clinton's decision was a courageous deed that won the support of the majority of the American people. Many state leaders and well-known politicians worldwide welcomed this important decision.

Well-meaning people who have followed the situation in Vietnam with keen interest have all expressed great satisfaction with this event. It is of particularly important significance because it marks the victory of a people who, under the leadership of the Communist Party of Vietnam, have fought stalwartly and prevailed in the struggle for independence, liberty, and human dignity. Over the past 20 years, Vietnam has stood firmly on its feet and moved forward despite the complicated international situation and the crumbling of the former Soviet Union and Eastern Europe. The important achievements of national renovation have enhanced Vietnam's political image in the world. The foreign policy of openness pursued by our party and state has encouraged more and more friends on the five continents to come to Vietnam and cooperate with us in many fields. This is consistent with the trend of development in the present era. President Bill Clinton's decision to normalize relations with Vietnam is logical because it conforms with the development of the world situation and responds to the desire of the U.S. leadership and the American people to forget the past and look to the future.

Looking back at developments leading to the establishment of full diplomatic relations between Vietnam and the United States, we see that the two countries have overcome many difficulties and obstacles. On 29 March 1973, as the last American troops withdrew from Vietnam, did any of them think they would set foot on this land again? As for us, as we jubilantly celebrated the victory on both the front line and in the rear base, we were also heartbroken by the deaths of countless fallen heroes, the sacrifices in blood and bone of millions of people, and the suffering of heroic mothers and exemplary fathers who had bid farewell more than once to children and grandchildren who set out to fight for the truth that "nothing is more valuable than independence and liberty!" Tens of thousands of families lost loved ones — fathers, sons, daughters, husbands, wives, brothers, and sisters. Many continue to suffer because they are still unable to find the remains of loved ones who lost their lives in the national liberation struggle. The same thing is true with people on the other side of the great ocean. We understand and share the suffering of parents who lost their children or wives who lost their husbands. When the fall returns each year, large numbers of U.S. veterans come to stand in front of a marble wall engraved with the names of 58,044 U.S. servicemen who never returned from the war. As they stand there, the fierce and tragic memories of the Vietnam war replay in their minds.

Twenty years have elapsed since the end of the war, and more and more Americans have gained a clearer picture of the truth of the Vietnam war. They realize that, like them, the people who won the war share the same desire; namely, to close the past and establish friendly relations. In addition to the search for missing servicemen, many U.S. businessmen have come to Vietnam to cooperate with their Vietnamese counterparts and seek business opportunities here. Our wounds are still bleeding, but prompted by the national tradition of morality and human compassion, we have cooperated with the U.S. side to help ease the suffering of U.S. families whose loved ones lost their lives in the war. It is our desire to broaden bilateral relations in areas of common concern, particularly in the economic, trade, and scientific-technological domains...

Our goodwill has been recognized by the U.S. public. From the "roadmap" to the lifting of the trade embargo, the process of normalizing SRV-U.S. relations — despite numerous obstacles — had to follow. According to many U.S. officials, Vietnam, with its great achievements in national renovation, has become a nation with an important role in regional peace, stability, and development. In the United States, many people realized that if they are not fast enough, they could miss the Vietnam-ASEAN boat. Vietnam, in the eyes of international businessmen, is a potential market that is quickly integrating into the regional and world economies. The cooperation for mutual benefit and for regional stability and development has encouraged many countries to broaden their relations with Vietnam. This is a factor that helped SRV-U.S. relations enter a new stage more quickly.

Prime Minister Vo Van Kiet affirmed in his 12 July statement: The Vietnamese Government and people have always held that the United States and Vietnam need to look to the future, establish normal relations between the two countries, and broaden relations in areas of mutual concern. These relations will serve the legitimate benefit of the two peoples and contribute to peace, stability, and cooperation in the region as well as the world on the basis of equality, cooperation for mutual benefit, and noninterference in each other's internal affairs.

Especially significant events happened to us and our friends near and far this July. The normalization of SRV-U.S. relations, our joining ASEAN, the official signing of an economic cooperation agreement with the European Union, and so forth have further confirmed our unchanged foreign policy of being friends with all nations in the world community and striving for peace, independence, and development.

With the open door foreign policy, new achievements in our renovation undertaking, and the support and encouragement of friends all over the world, we are determined in our chosen path and we will continue to strive for the goal of a prosperous people, strong nation, and civilized and just society.

Lao Interior Minister Views Visit to Hanoi

BK1108154595 Hanoi VNA in English
1407 GMT 11 Aug 95

[FBIS Transcribed Text] Hanoi VNA August 11 - A delegation of the Interior Ministry of Laos led by its Minister Asang Laoli began its working visit to Vietnam since Aug. 9 on the occasion of the 50th anniversary of the Vietnamese security forces.

The Lao interior minister yesterday met with his Vietnamese counterpart Bui Thien Ngo. The two ministers highly valued the friendly and cooperative ties between the two ministries over the past time and agreed on the direction, contents of bilateral cooperation in the coming time.

The Lao guest paid a floral tribute to late President Ho Chi Minh at his mausoleum and called on a number of units of Hanoi's security force.

This afternoon, Mr. Asang Laoli made a courtesy visit to Prime Minister Vo Van Kiet at the goverment office.

He conveyed to Mr. Kiet the best regards from Lao Prime Minister Khamtai Siphandon, informed the prime minister of the fine results of his working session with Minister Bui Thien Ngo, and expressed his pleasure at the achievement recorded by the Vietnamese people in their current renovation process as as well as at the rapid development of Vietnam's security force in building a regular and modern armed forces. Over the past time, the Lao Interior Ministry enjoyed the close, multi-faceted, and effective cooperation from the Vietnamese colleagues, especially in the field of personnel training. He said he believed that with this visit their bilateral friendship and cooperation would be further enhanced for the social security, and prosperity of each coutry.

Prime Minister Kiet welcomed the agreements signed by the two interior ministries during the visit, describing it as an actual step forward in the implementation of the accord on promoting the special solidarity, and multi-faceted cooperation beween the two parties and governments. He said over the past time, thanks to the political stability Vietnam and Laos have gained successes in their national construction. He expressed his wish that interior ministries of the two countries would continue their cooperation,and mutual assistance, to build a strong security force in each country, thus furthering the constant development of Vietnam-Laos special relations.

Jailed Activists 'Warning' to Overseas Groups

BK1408064495 Hong Kong AFP in English
0534 GMT 14 Aug 95

[FBIS Transcribed Text] Hanoi, Aug 14 (AFP) — Vietnam has jailed two Vietnamese-Americans for subversion in what was seen as a warning to overseas groups that improved ties with the United States would not soften Hanoi's hard line against dissent.

A court in Ho Chi Minh City on Saturday jailed nine people, including two Vietnamese-Americans, for between four and 15 years for what newspaper reports called "attempted subversion."

"The timing of this is important," said a foreign expert on Vietnamese politics. "It's clearly a warning to overseas Vietnamese groups that they can't expect any leniency just because relations have been normalised."

The trial came less than a week after the opening of a U.S. Embassy in Hanoi by Secretary of State Warren Christopher, who urged Vietnam in a speech here to open up its economy and society through political reforms.

An official newspaper said Monday that the nine were found guilty of "very serious violations of national sovereignty and national security." They were arrested in November 1993 for holding "an international workshop on Vietnam's development."

A consular official from the U.S. Embassy in Hanoi attended the trial but refused to comment on its outcome, saying only that details would be passed on to the families of the two Vietnamese-Americans — Nguyen Tan Tri and Nguyen Quang Liem.

Normalisation of relations with the United States has been welcomed by the government but has met with suspicion among hardliners who remain fearful of U.S.-based Vietnamese linked to the former government of South Vietnam.

President Bill Clinton's speech on July 11 saying that normal relations would help prise open Vietnam's society, raised hackles in Hanoi where newspapers denounced it as an attempt to interfere in the country's affairs.

A day after Clinton's speech, Prime Minister Vo Van Kiet called on overseas Vietnamese — many of whom remain implacably opposed to the government in Hanoi — to put the past behind them and help the country's development.

But while appealing for overseas Vietnamese to bring their money and expertise back to their homeland, top officials have warned that they must obey Vietnam's laws, particularly those restricting political activities.

Those jailed originally tried to organise a conference in the former Saigon to discuss human rights and democracy. After their first attempt failed, they tried to set up another meeting but were arrested 10 days before the gathering.

Reports linked the group to a banned political party, the Tan Dai Viet, which split from another group in 1964 to oppose communism and drew its support mainly from lower ranking officers in the South Vietnamese Army.

The VIETNAM NEWS said the leader of the group Nguyen Dinh Huy had been sentenced to 15 years in jail. The seven Vietnamese would remain under house arrest after serving prison terms, while the two Americans would be deported, the paper said.

Huy was contacted by members of the Tan Dai Viet in the United States and urged to revive the party, which was banned in 1975 when the communists took power after the fall of Saigon.

Reports of the case ran in newspapers alongside stories on celebrations marking the 50th anniversary of the People's Security Forces who were urged to have "absolute loyalty to the revolutionary cause of the Party and the people."

Kiet told a gathering of top leaders Saturday that although Vietnam "must open the door fully to the outside world ... we must know how to defend ourselves and maintain our identity.

Court Sentences Alleged Counterrevolutionaries

BK1308140995 Hanoi Voice of Vietnam in English 1000 GMT 13 Aug 95

[FBIS Transcribed Text] The Ho Chi Minh City people's court on August 11 and 12 brought to court the case of Nguyen Dinh Huy, alias Ngo Tran Huan, and others on charges of carrying out activities to overthrow the people's administration. Nguyen Dinh Huy and his companions confessed that their acts violated the Vietnamese law, directly threatening national political security and opposing the people's administration. Nguyen Dinh Huy was sentenced for 15-year imprisonment, others from 14- to four-year imprisonment.

Further on Sentencing

BK1308154595 Hanoi VNA in English 1454 GMT 13 Aug 95

["Imprisonment Sentences to Counter-Revolutionaries" — VNA headline]

[FBIS Transcribed Text] Hanoi VNA August 13 — The People's Court of Ho Chi Minh City (HCMC) has sentenced Nguyen Dinh Huy 15 years' imprisonment and eight others from four to 14 years in prison on charge of acting to overthrow the people's administration.

Among the accused, two are holders of Vietnamese and American nationalities. Therefore, the court, which took place on August 11-12, was attended by Mr. Charles Neary, representative of the US Embassy in Hanoi.

Nguyen Dinh Huy, who served the US-backed Saigon regime before its fall in 1975, was sent to a re-education camp after the liberation of South Vietnam. In June 1992, he rallied 20 former members of the old Tan Dai Viet (New Great Vietnam) Party which had been dissolved by the revolutionary authorities shortly after the liberation, in a bid to revive that party. He also established contacts with Cao Minh Chau residing in the United States, who is leader of the Overseas Tan Dai Viet Party, and received financial and material assistance from him.

Huy and his accomplices had worked out "a political programme" and "the Tan Dai Viet Party Declaration" and other documents calling for overthrowing the Socialist Republic of Vietnam.

Huy and other wrong-doers were time and again summoned to the local authorities for their illegal activities against the country. However, they turned a deaf ear to the local government's warnings.

Buddhist Dissident, Followers To Face Trial

BK1408084195 Hong Kong AFP in English 0831 GMT 14 Aug 95

[FBIS Transcribed Text] Hanoi, Aug 14 (AFP) — A leader of a dissident Vietnamese Buddhist church and five followers are to go on trial for unspecified crimes following their detention earlier this year, an official said Monday.

Thich Quang Do, secretary general of the United Buddhist Church of Vietnam (UBVC), three other monks and two lay people will be tried in the southern city over two days from Tuesday, the official in Ho Chi Minh City said.

Do is the second-highest official in the church, which has refused to come under the control of the government in Hanoi and has demanded greater religious freedoms.

He was detained in Ho Chi Minh City on January 4 and accused of provoking trouble by protesting the arrest of the other five Buddhists. They were held in November last year for trying to organise a flood relief mission in the Mekong Delta.

Do's arrest also followed that of the 77-year-old patriarch of the UBCV, Thich Huyen Quang, who was detained on December 29 after starting a hunger strike at his pagoda in Quang Nai province.

The pair have been outspoken critics of the arrest of the five devotees including three monks — Thich Khong Tanh, Thich Tri Luc, Thich Nhat Ban — and two others, Nhat Thuong and Dong Ngoc.

Authorities accused the five of violating public order laws when they organised a mission to take food and clothing to the Mekong Delta, which was stricken by serious floods last year that left at least 400 dead.

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